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Editorial AS WE SEE IT

A number of countries have in recent times designated themselves as "neutrals" in the alleged "struggle" between communist countries and capitalist countries. More recently these peoples have often been referred to as a "neutralist bloc," and current accounts indicate that leaders of these countries, or some of them, are interesting themselves actively in building up the membership of this bloc. Strangely enough, one of the leaders of this group of countries is communist Yugoslavia, and about as strange is the fact that at least one of the most active leaders of the "bloc" appears to be interested in persuading socialist Cuba to join. Particular attention appears at the moment to be directed at Latin America. The situation is a strange one, however viewed. Certain it is that a new definition of the word "neutral" appears necessary if it is to be employed in this way.

It is true that the larger communist countries, notably Russia and China, are aligned in what is known as a "cold war" against a number of the other leading countries of the world, loosely joined by ties of one sort or another. True it is also that there is the possibility—though we must certainly hope not the probability—that at some time in the relatively near future these two groups of nations may be engaged in a "hot war." What these advocates of neutralism appear to be chiefly interested in is, however, not so much in keeping their members out of any such conflict, as in influencing their policies and attitudes in peace times. They seem still to regard any country which has capital available for export as imperialist and to fear that such capitalists or their countries will take undue advantage of those to whom they provide capital, and that the assisted will presently find themselves in most essential respects again "colonies" of the imperialists.

Bad Advice

We, of course, have no way of knowing how much influence these neutralists actu- (Continued on page 15)

Funds More Active Stock Buyers In Market Nearing All-Time High

By A. Wilfred May

Analysis of 88 Investment Companies' portfolio operations during March quarter's record-high, record-volume stock market reveals greatly stepped-up net buying of common stocks (except in the case of the balanced open-end funds) and sharply expanded portfolio turnover. Most favored groups included the aircrafts, banks, finance companies, metals, and oils, with more moderate buying of airlines, automobiles, beverages, building, retail trade and some textiles. Agricultural equipments were sold on balance. Transactions in other major groups were mixed. Most popular issues were ITT, ATT, American Metal Climax, Sperry Rand, and Standard Oil (N. J.). Most widely sold stocks were IBM, Westinghouse, and General Electric. Interest in foreign issues expanded with new names.

This survey of 1961's first quarter operations by 88 funds with \$15.5 billion of net assets, covering a time of the stock market's 10% rise toward an all-time high, reveals stepped-up buying by the stock funds, an approximately unchanged degree of net purchasing by the balanced funds, and increased bullishness by the closed-end companies. The market's record volume of activity was paralleled by the investment companies' increased portfolio turnover.

The purchases by the common stock funds increased over the previous quarter by 90%, while their sales rose by 63%; the result being a four-fold increase in their net buying of stocks.

The closed-end companies, which had been net sellers in the previous quarter, nearly doubled their purchases. This effected a net buying-on-balance of 3%, compared with sales exceeding purchases by 60% in the December quarter of 1960.

In the case of the balanced open-end funds, on the other hand, the excess of their stock purchases over sales declined to 33% from 53% in the December quarter.

The ratio of redemptions by holders of the

[Tables appearing on pages 23 and 29 show funds' comparative investment positions; total common stock and other securities transactions; and individual common stock transactions by industry groups.]

open-end fund shares (marking "do it yourself" investing) to the concurrent sales to the public (which attained a new high) rose during the March quarter. This ratio of redemptions to sales increased to 46% in the quarter from 40% in the December 1960 quarter and 35.5% in the March 1960 period.

Since the "pool" of outstanding (redeemable) shares constantly grows, the ratio of redemptions to assets, rather than to sales, appears the more realistic figure. This ratio also rose during the March quarter to 1.8% of average assets against 1.4% in the comparable first quarter of 1960.

Redemptions again were particularly heavy in some of the larger companies. In the case of one leading common stock fund redemptions were 72% greater than sales (not counting shares issued in payment of capital gains dividends). In another large company the excess of redemptions over sales was 17%; in another redemptions equalled sales; and in still another unit the redemption ratio was 87% of the concurrent sales.

A Sure Aid to Per-Share Asset Value

Here it is important to call attention to the change in their capitalization effected by some closed-end companies through repurchases of their own outstanding shares. Following such policy by Consolidated Investment Trust, International Holdings, and American International in the final quarter of 1960, was the purchase during the past quarter of 1,500 shares at a discount of about 15½% by American International. At this writing AIC's discount has narrowed to 11½%. It is learned that neither Consolidated Investment nor International repeated pur- (Continued on page 22)

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MERRITT F. BEALAnalyst, Peter P. McDermott & Co.,
New York CityMembers: New York Stock Exchange,
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Anaconda is one of the best hedges against inflation and only the unsophisticate can possibly believe that the dollar can remain sound while increased spending continues. Possibly the dollar will not go the way of the pound, franc, lira, mark, but unbalanced budgets, larger public debt and reckless spending surely lead to deterioration of the value of the dollar, and it behooves the prudent man to take all precautionary steps possible. Tangible wealth underground is a partial answer.

Anaconda is one of the largest producers of nonferrous metals of practically every kind, including copper, zinc, lead, silver, gold, rare metals, uranium and aluminum. Its manufacturing operations include copper, brass and other alloy products on a huge scale. One subsidiary is about the largest fabricator of sheet, wire, rod, tube and other industrial forms of copper and copperbase alloys. It also produces aluminum sheet and strip, flexible metal hose and tubing, and another subsidiary is one of the largest domestic producers of electrical conductors, both copper and aluminum.

Anaconda has two subsidiaries in Chile producing copper on a huge scale and owning what is believed to be the largest copper body in the world. Management coped successfully for generations with the fluid political situations in South America. They know the hard, cold facts of mining life and deal with them accordingly. They know that what is good for Anaconda is good for Chile and the United States.

Anaconda has done a gross business in excess of half a billion dollars annually for many years and its average annual earnings per share for the past ten years have been \$5.45; on a P/E ratio of 15 to 1, the stock is worth above \$80. The latest figures for 1960 show earnings of \$4.30 a share on gross sales and revenues of \$624,421,651. 1960 was not an especially good year for the industry in general or Anaconda in particular and the company had three strikes during the year.

Following a modest funded debt the company has outstanding 10,715,127 shares of stock which, in view of the fact that it is a leader in its particular industry, is not by any means excessive, considering that in public utilities, American Tel. & Tel. has in the neighborhood of 235 million, in the steel industry, U. S. Steel has above 54 million, in the oil industry, Standard Oil of New Jersey has 216 million and in the auto industry, General Motors has 283 million shares. At the end of 1960 the book value of each share of stock of Anaconda was reported as \$87.27.

The dividend record of the com-

pany is superb, dividends having been paid since 1900 with only a few lapses in the depths of the depressions of 1921-22 and 1932-1935. The current record is uninterrupted since 1936. During 1960 the company distributed in dividends \$26,787,817.

There is every reason for believing that this company's magnificent past record will be duplicated in future years and the stock is owned by 121,017 stockholders including 126 financial institutions. Minimum dividends expected are \$2.50 during 1961 and it is well within the range of probability that a higher rate may be established.

Again I say, the best-known hedge against inflation is wealth underground. Other forms of wealth are subject to the blight of confiscatory taxes. Anaconda has this wealth on a tremendous scale. It is probably the best mining organization and it is a leader in copper, the outstanding conductor of electricity. The worldwide demand for electricity and, incidentally for copper, must expand unceasingly.

I am thoroughly convinced that with or without inflation, and inflation to some extent seems inevitable, Anaconda is an ideal equity to own at this time. The stock is listed on the New York Stock Exchange.

TOBIAS GRUENInvestment Analyst, Kippen &
Company, Inc., Montreal, CanadaMembers: Montreal Stock Exchange
and Canadian Stock Exchange**Home Oil Debentures Convertible into
Shares of Trans-Canada Pipe Lines**

The 6% debentures of Home Oil Limited, which are convertible into common shares of Trans-Canada Pipe Lines, appear reasonably priced at their current level around \$107.00. Each \$1,000 principal amount of debenture is convertible at the holder's option into 37 shares of Trans-Canada Pipe Line to Jan. 15, 1970, and thereafter into 31 shares until the maturity date, Jan. 15, 1975. The current conversion cost of the common shares of Trans-Canada is about \$28.92, compared with the present price of the common shares of \$24.50. The premium of the conversion cost over the common price is attractive, being less than 20%. The current call price of the debentures is \$106.

Since the capital appreciation prospects of these Home Oil debentures depend on the performance of Trans-Canada Pipe Lines, a brief review of the latter company follows:

Our study of the facts relating to Trans-Canada Pipe Lines has inclined us to the view that the long-term growth prospects of this company are highly favorable. The following factors may be mentioned as supporting this view. Firstly, annual sales and net income of Trans-Canada are expected to increase continuously during the coming years. For the first quarter of 1961, gas sales of Trans-Canada Pipe Line were 56,-

**This Week's
Forum Participants and
Their Selections****Anaconda Company** — Merritt F. Beal, Analyst, Peter P. McDermott & Co., New York City. (Page 2)**Home Oil Company** — Tobias Gruen, Investment Analyst, Kippen & Company, Inc., Montreal, Canada. (Page 2)

500,000,000 cubic feet compared with 31,600,000,000 cubic feet for the corresponding period of 1960, an improvement of 79%.

Secondly, Trans-Canada Pipe Lines will greatly benefit from the long-term growth of the Canadian natural gas industry. It is worth noting that the ultimate total reserves of Canadian natural gas are expected to be about 300 trillion cubic feet compared with the current proven reserves of about 28 trillion cubic feet. Indications are, too, that demand will keep pace with the increasing supply of natural gas. In this connection it may be pointed out that there are about 60 million people in the United States who are within easy economic reach of Canadian pipe lines, and who constitute a large potential market for the Canadian natural gas industry.

It is also worth noting that the "effective life" of natural gas reserves of the United States has declined considerably during the last few years. For example, in 1956, on the basis of that year's consumption, the "effective life" of the gas reserves of the United States could cover only 23 years of demand, whereas the corresponding figure for 1945 was 36 years.

It is generally anticipated that Trans-Canada Pipe Line will, in the long run, realize substantial profits and consequently the shares will improve in price from their current level of around \$24.50. Since the Home Oil debentures are convertible into Trans-Canada Pipe Line shares until maturity, it is reasonable to expect that the holders of these debentures will benefit from the long-term improvement in the price of Trans-Canada Pipe Lines. Meanwhile, these bonds afford an impressive yield of 5.6% while currently the shares of Trans-Canada Pipe Lines do not pay any dividends.

The common shares of Home Oil and Trans-Canada Pipe Lines are listed on the Montreal and Toronto Stock Exchanges, while the bonds are traded on the over-the-counter market.

**Walter Todd Forms
Own Firm in Houston**

HOUSTON, Texas — Walter Todd has formed Walter Todd & Co. with offices at 6130 Sugar Hill Drive to engage in a securities business. Mr. Todd was formerly a partner in B. V. Christie & Co. and was a district manager for FIF Associates.

Forms Wald & Co.

FLUSHING, N. Y. — Max B. Schoenwald is engaging in a securities business from offices at 165-07 Seventy-first Ave. under the firm name of Wald & Co.

Form Fairfax Inv. Corp.

WASHINGTON, D. C. — Fairfax Investment Corporation has been formed with offices at 1835 K St., N. W. to conduct a securities business. Officers are Robert Minshull, President; Edward B. Riggs, Vice-President; and Rutherford Day, Secretary - Treasurer. Mr. Minshull was formerly with Best & Gary, Inc.

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Economic Forces Ahead Affecting Stock Market

By Dr. Jules I. Bogen,* Professor of Finance, Graduate School of
Business Administration, New York University

This decade's basic economic forces are judged to be less favorable for the stock market than was the case in the 1950's—a period when the stock price level tripled. Dr. Bogen compares the prospects for economic growth, corporate profits, price inflation, and the proportion of savings going into equities with their actual performance in the preceding ten years. He concludes we face: (1) some slowing up in the economic growth rate; (2) increased stability in the commodity price level; (3) a persisting profits squeeze though cash flow should improve; and (4) a slowing down in the broadening of individual shareholdership and increased competitiveness of other investment outlets for individual and institutional savings should inflation fears abate and attempts to spur economic growth achieve limited results.

The basic trends in the American economy were highly favorable for the stock market during the 1950s. First, the American economy grew in this decade at an average rate of 4% a year compounded, as measured by the gross national product at constant prices. This was above the long-term average rate of growth of the economy; which has been closer to 3%. So vigorous a rate of growth is quite favorable for the earnings of enterprises throughout the economy.



Dr. Jules I. Bogen

Secondly, during the 1950s a creeping inflation of commodity prices occurred at an average rate of almost 2% a year. Rising commodity prices widen profit margins. And rising commodity prices stimulate investment in common stocks because equities have proved by far the most efficient available long-term hedge against inflation.

In the third place, this high rate of economic growth and creeping inflation increased corporate net profits, which were 50% larger in 1959 than they were in 1949.

And finally, reflecting the favorable position of equities in a growing economy marked by creeping inflation, a rising proportion of the nation's savings flowed into common stocks. This has been most pronounced for savings flowing through financial institutions. Financial institutions, led by pension funds and investment companies, are investing approximately \$4 billion a year in common stocks. This is almost 1% of the market value of all publicly-held common stocks. At the same time, the number of individual investors in common stocks, which approximated six million at the beginning of the 1950s, is over 15 million today, according to preliminary estimates. The number of individual holders of common stocks has thus more than doubled, while net institutional purchases of common stocks are about four times as large as they were in 1950.

In response to these four factors

—a higher than average rate of economic growth, creeping inflation, a rise in corporate profits, and an increasing proportion of savings flowing into equity investments—the level of common stock prices tripled during the 1950s.

It has been said that generals make their worst mistakes when they base their planning on winning the last war. Similarly, investors may make serious mistakes when they base their decisions upon economic trends of the past decade, rather than on the trends that can be expected to prevail in the coming decade.

What will happen in the stock market during the 1960s will be very largely determined (1) by the rate of economic growth in the years ahead; (2) by the trend of commodity prices in the decade; (3) by the future trend of corporate profits; and (4) by the proportion of current savings that will flow into common stock investment during the years that lie before us. I shall attempt to appraise the prospects for each of these basic economic factors during the current decade of the 1960s.

The Rate of Economic Growth

The rate of economic growth of the 1960s is likely to be materially slower than in the 1950s because two major stimuli which accelerated the expansion of the American economy during the 1950s are no longer present. These were, first, the large backlogs of unsatisfied demands for every type of durable goods, backlogs that were inherited from the war decade of the 1940s and from the depression decade of the 1930s. We had had 20 years of sub-normal output of homes, of automobiles, of plants and equipment and of durable goods of every description in those two decades. The backlogs had to be satisfied during the 1950s. Naturally, when the economy must satisfy both new demands and backlogs of inherited, unsatisfied demands, the output must be so much larger, and this contributes to economic growth.

Secondly, the level of private debt at the beginning of the 1950s was relatively low because there had been relatively little private borrowing in the thirties and the forties, although the public debt was greatly expanded and national income had increased spectacularly during the war years. As a

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Savings: The Sparkplug of Sound Economic Growth

By Hon. Prescott Bush,* U. S. Senator (R.) From Connecticut.

Co-sponsor of a bill to authorize formation of Federal mutual savings banks announces he will introduce a revised version of his bill. Senator Bush warns, however, that encouragement of better avenues of savings to stimulate thrift and capital formation can be achieved only if fiscal irresponsibility and inflationary measures are avoided. Fearful of the disquieting indications by some of the President's advisers, the Senator insists that the road to more jobs is the creation of an atmosphere of confidence to inspire business to modernize and expand and not inflationary Federal deficits.

I would like to discuss the proper role of government in creating conditions under which free enterprise can promote the economic growth of the nation to provide for our national defense and to create the thousands of jobs necessary to provide work for those presently unemployed, and for the young people who will be entering the work force in increasing numbers in the decade of the sixties.



Prescott Bush

In my view, one of the government's major responsibilities is to fight inflation and maintain a sound currency. This is essential to encourage the savings which are the sparkplug of economic growth and to preserve the credit of the United States upon which depends our military strength and the security of the entire free world.

As a member of the Joint Economic Committee of the Congress, I have been participating in hearings on these problems. We have reviewed the Economic Report of the outgoing administration of President Eisenhower and President Kennedy's own Economic Message. We have received testimony from the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Council of Economic Advisers, the Director of the Bureau of The Budget, the

Assistant Secretary of Defense and a number of witnesses representing business, farm, labor, and academic organizations.

There is general agreement on what should be our national economic goals:

All of us want—

A steadily expanding economy, based upon a strengthened system of free enterprise.

A rate of growth sufficient to give us an ever-rising standard of living and to provide jobs for all.

An economy that can adequately provide for our national defense.

Assurance of equal opportunity for the education of our youth and the health and security of our senior citizens.

And we want to accomplish all this with relative price stability.

But while there is agreement on what we want to achieve, major differences exist concerning the means we should employ to accomplish our objectives, and whether we can achieve all our objectives at once.

Can't Control Business Cycle

Our economy is the strongest and most advanced in the world, but we have not been able to avoid the swings in the business cycle between recession and recovery. We have not yet mastered the art of keeping the economy advancing steadily at levels of high employment coupled with a reasonably stable price level.

The new administration came into power when the nation was bottoming out of a mild recession. An early upturn was then in prospect.

President Kennedy's initial executive actions and recommendations to the Congress were quite

similar to those taken by President Eisenhower in the previous recession—

An acceleration of already-authorized government spending for defense and other purposes;

Extension of unemployment compensation benefits;

A bill to aid so-called depressed areas.

Additionally, the new President made a major change in fiscal policy. Instead of the surpluses projected by his predecessor for the current fiscal year and for the fiscal year which begins next July 1, President Kennedy proposed substantial deficits for both years. On a cash basis, the deficit for fiscal '61 is now estimated at slightly more than \$1 billion and for fiscal '62 more than \$4 billion.

Deficits of this magnitude are not always alarming in and of themselves; what I fear is that they may prove habit-forming as the new Administration moves ahead to meet the two major problems it faces:

Increasing communist truculence on the international scene coupled with setbacks to the West;

An intolerably high level of unemployment in our national economy.

As a member of the Armed Services Committee, who has recently heard expert testimony on our military posture, I believe I can safely predict that we face steadily increasing defense expenditures in the years ahead.

Recent events have shattered whatever hopes some people may have held—and I did not share them—that a change in administrations would result in a relaxation of international tensions. This means that our present position of unquestioned military strength must be maintained at all costs.

Domestically, we face continued high but spotty unemployment. Although the recovery now underway is expected to boost both national income and Gross National Product to new highs, witnesses before our Committee estimate that 6% to 7% of the work force—four million to five million people—will still be unemployed in December, 1961. There is general agreement that this is an intolerably high level.

What can be done to reduce unemployment?

Conflict in Congress

Here I foresee a major conflict

in the Congress between those who advocate massive government spending, supposedly to put people back to work, and those who feel as I do that the way to provide the needed jobs is to stimulate the private sector of the economy to invest in job-creating enterprises.

In this connection, President Kennedy's message on taxation was a disappointment, especially because it postponed any attempt at major tax reform until next year. As Wilbur Mills, Chairman of the House Committee on Ways and Means, has often said, our tax code is a "Chamber of Horrors." Despite the steps toward reform taken in the 1954 revision of the Internal Revenue Code, it now needs a major overhaul. I regret that the President believes that now is not the time, but instead has called for another study to be piled atop the monumental mass of studies already made by the Treasury and the Ways and Means Committee.

It is especially unfortunate that tax revision will be put off until an election year, when pressures against an equitable tax structure will be extremely difficult to overcome.

The President's recommendation of a tax credit as an investment incentive was a step in the right direction, but too limited in scope. I believe that it will accomplish little toward providing anywhere near the number of new jobs needed in our economy.

I am also concerned about the effect upon investment if the Congress should approve the President's recommendation for repeal of the dividend credit and exclusion. We should be encouraging capital formation through equity investment instead of putting an obstacle in its path.

And I view with some apprehension, the President's proposal for withholding on interest and dividends. While I agree we must correct a situation in which an estimated \$3 billion of taxable interest and dividends goes unreported each year, I see many difficulties in working out a withholding system that will not inflict hardships on many recipients of income from these sources and on the institutions which must withhold. This is especially true with respect to interest income, as I am sure all savings bankers will agree.

If such a withholding law is enacted, I believe Congress should limit it to interest and dividend income involving rather substantial amounts. Otherwise, people who can ill afford it will suffer from the withholding of a part of their meager incomes from these sources, and the administrative problems involved in handling claims for refunds will be multiplied.

We should encourage thrift,

rather than discourage it. If we agree that a basic challenge confronting the nation is the achievement of an adequate rate of growth sustainable throughout the years without inflation, then we must conclude that we must encourage capital formation through savings. Studies have emphasized that the supply of savings is a direct factor in determining the limits of real capital formation.

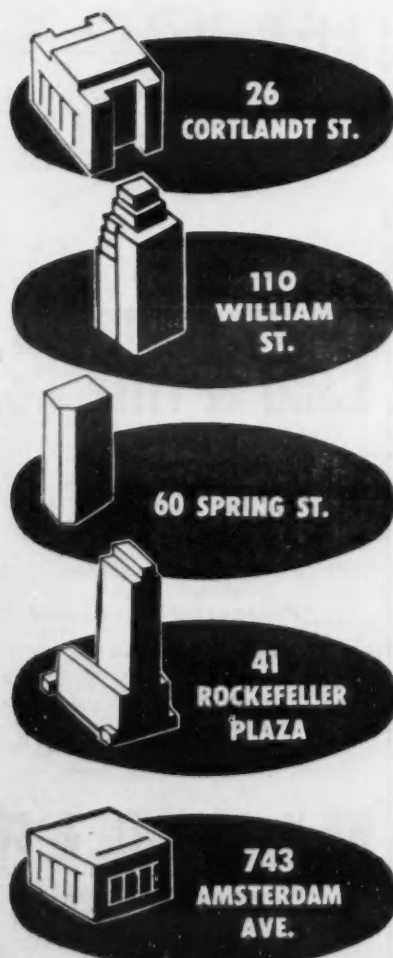
Role of Mutual Savings Banks

The mutual savings banks play an important part in this process. Marshalling small savings of millions of people and channeling these savings through private institutions into productive investments continue to be dual elements in the process of economic growth. Mutual savings banks seek to stimulate thrift day in and day out. Changes in the structure of interest rates may affect the success attained from that effort, but they do not decrease the effort.

As institutions without stockholders, mutual savings banks enjoy more immunity from shifts in the general level of interest rates than do organizations that must concern themselves with producing net profit for those who hold equity positions in the financial enterprise. The interest of mutual savings banks in promoting thrift is not motivated by the prospect of any profit that might result from a high level of interest rates in loans. Throughout their history they have stressed the importance of personal savings. They offer accumulated savings for long-term productive investment whether the general level of interest rates be high or low.

I incline to the view that capital formation in the United States could be augmented by expansion of the mutual savings bank system. For this reason I was happy to co-sponsor a bill that would authorize the formation of Federal mutual savings banks. With the deserved reputation the industry enjoys for safety and conservatism, reasonable returns on savings and careful management, it deserves the opportunity to serve more of the people, especially in areas now lacking mutual savings banks.

On July 1, 1960, I joined with Senator Sparkman of Alabama in introducing S. 3796 after having discussed the idea with representatives of the National Association of Mutual Savings Banks. In his remarks accompanying the bill, Senator Sparkman noted that leaders in the industry had asked us to introduce the measure, so that a study and discussion of its merits could be held. That purpose has been partly accomplished, since several groups concerned with the legislation have had it under study since that time.



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and discussions concerning the proposal still continue.

Endorses Federal Mutual Savings Banks' System

At an appropriate time, I am prepared to introduce a revised version of a bill authorizing Federal charters for mutual savings banks. I shall look forward to visits from representatives of the industry to work out the best approach to this legislative proposal. I believe the basic idea worthy of Congressional attention.

Important as is the encouragement of new avenues of savings, however, thrift can be stimulated and increased capital formation achieved only if the Federal Government exercises fiscal responsibility and rigorously avoids actions which ignite the flame of ruinous inflation.

President Kennedy has made some excellent statements which indicate his appreciation of the importance of maintaining a sound currency.

In his State of the Union Message, the President said:

"This Administration will not distort the value of the dollar—and this is a commitment."

In his economic message, Mr. Kennedy gave assurance that his Administration will not seek—and I quote his words directly—"To buy short-run economic gains by paying the price of excessive increases in the cost of living." And he added:

"Always a cruel tax upon the weak, inflation is now the certain road to a balance of payments crisis and the disruption of the international economy of the western world."

In his budget message, the President said:

"Federal expenditure and revenue programs should contribute to economic growth and maximum employment within a setting of reasonable price stability."

I credit the President with complete sincerity in what he has said, and I shall do my best to uphold his hand in these matters.

But I hope that I will not be accused of partisanship if I express my doubts that he has complete support in his stand against inflation within his own party, and even among his close political advisers.

There are many unredeemed promises in the Democratic Party's national platform, and to redeem them would require massive doses of Federal spending. Pressures to deliver on these campaign pledges will be intensified by the many special interest groups which feel they hold promissory notes from the new Administration.

Recalls Arthur Burns' Warning

Arthur F. Burns, former Chairman of the President's Council of Economic Advisers, recently voiced a timely warning.

"We would be courting inflation and a gold crisis," he said in a recent speech at Chicago,¹ "if we now arranged new governmental spending programs so that they would mature when the economy is already advancing without them."

I hope Mr. Burns' statement does not fall upon deaf ears in the new Administration.

But there are disquieting indications that some of the President's advisers do not share his expressed views about the importance of keeping inflation under control. There has been a statement by one of the most

¹Full text appeared in *Chronicle* of April 27, 1961.—ED.

influential of them, the Director of The Budget, David E. Bell, to the effect that whatever the nation needs it can afford. There is a general philosophy in circles close to the Administration that we should go ahead and spend whatever is represented as needed and not worry about paying the bills. If we spend what they recommend, it is claimed, the national income and Gross National Product will rise enough not only to absorb the cost of the new programs, but to produce budget surpluses as well.

According to the prevailing economic theory in Washington, we should incur deficits in recessions and run surpluses in periods of prosperity. We should balance the Federal budget only over the year of a business cycle. That sounds reasonable enough, but I have an uneasy feeling that to some of those who advocate this theory, prosperity will always be around the corner and the time for balancing the budget will never come. Their current forecasts are for record high levels of prosperity in the coming fiscal year, as measured by national income, productivity and Gross National Product. Yet we are told we must accept a \$4 billion cash deficit to reduce unemployment.

Is this the right way to create jobs for those now unemployed, and for those who will be entering the work force in the months ahead? Or should more encouragement be given, through increased incentives for productive investment, to free enterprise to create the jobs that are needed?

"Past History Illuminating"

A glance at past history may be illuminating. In 1931, there were 8 million people unemployed in the United States. A new Administration came into power as a result of the elections in the following year, and embraced deficit spending and make-work programs. Yet in 1939 more than nine million people remained out of jobs. A record of failure such as this does not inspire confidence in the ability of government to create jobs.

I submit that in such a time as this, it is more appropriate to limit new Federal spending to defense and other essential needs, come as close to balancing the budget next year as is possible, and create an atmosphere of confidence which will inspire businessmen to modernize and expand their enterprises. This will do more to create jobs than inflationary Federal deficits.

I regretfully do not expect this view to prevail. And so, I say that the dangers of inflation are not dead; they are merely sleeping. As specialists in the field of thrift, savings bankers can help reduce such dangers by continuing to carry to the people the message of the importance of savings. And, as trustees for depositors, they have a continued obligation to alert the public to the need for fiscal responsibility in their national government as an essential means of avoiding further erosion in the value of the dollars people are being asked to save.

²An address by Senator Bush before the 41st Annual Conference of the National Association of Mutual Savings Banks, Philadelphia, Pa., May 2, 1961.

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FLORENCE, S. C.—Rhoten Shetley, Ltd. is engaging in a securities business from offices at 349 West Evans Street. Officers are Rhoten N. Shetley, President and Treasurer, and C. H. Shetley, Secretary.

Opens Inv. Office

PHOENIX, Ariz. — Barbara C. Brown is engaging in a securities business from offices in the Phoenix Title & Trust Building. Miss Brown was formerly with Tower Securities and A. G. Edwards & Sons.

Complete California Bond Sale



WHAT DOES \$190 MILLION feel like? California State Treasurer Bert A. Betts (above right) knows as he accepts a check for the largest single sale of State bonds in California's history from Earl Lee Kelly, representative of Bank of America, which headed the syndicate buying the bonds along with Bankers Trust Company, New York. Mr. Kelly handed Mr. Betts the check inside the giant vault at the State Capitol in Sacramento before Bank of America took delivery of the bonds—\$140,000,000 in Veterans bonds and \$50,000,000 in State construction bonds. The bulk of them were picked up May 4.

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TAX-EXEMPT BOND MARKET

By DONALD D. MACKEY

During the past week the state and municipal bond market has made further gains. New issues, although relatively few in number and light in volume, have met enthusiastic investor reception despite the moderately advanced price levels. While new issues have been well taken, reduced inventories indicate that secondary market items have also been under accumulation by investors as well as institutions.

Cloudless Sky

The market's technical balance largely accounts for this positive action over the past several weeks. Supply, demand, general price level, new issue timing, dealer restraint in new issue bidding, favorable price relationship to taxable bonds, heavier tax potential and other factors contribute to a better adjusted municipal bond market than has obtained for some time.

This fine "tune" is of course being enjoyed by too many interests with somewhat divergent ultimate ends to last for very long. Elements may soon be "ground in" that may be limiting in one respect or another. However, these market elements now seem well enough balanced to hold the resultant better trend through June at least without complete dependence on extra-market influences such as are induced through government bill and bond market support.

Prices Upward

Yesterday (May 10) the *Commercial & Financial Chronicle's* 20 year high grade general obligation bond yield Index is at 3.273%. Our average yield a week ago was at 3.30%. This represents an average market betterment of more than three-eighths of a point.

This Index is derived from current secondary market offerings. Were typical new issue offerings used, the market rise this week might have been somewhat higher.

Free reserves have totaled a half billion dollars or more for the last several months. Although business recovery is said to be under way, it would definitely appear to be an incipient rather than a flourishing development. With unemployment looming as a problem even transcending that of the lagging economy, it would appear the Federal Reserve policies of ease that have helped in the turning of the tide will be further implemented.

Easy Money Philosophy

We believe that active monetary ease, with consequent higher bond prices, appears inevitable for a lengthy period of time despite the anachronisms that are inherent in the present politico-economic situation as pursued. It seems to us that the money managers will undoubtedly become involved to a degree not experienced since the late 40's, should the Administration's plans for foreign loans, economic and military aid, accelerated space

programs, welfare, jobless aid, public works programs as well as the items regularly budgeted earlier in the year, be even partly embraced.

The new Administration profoundly believes in easy money as a social and political good and it appears obvious that it not only will have, but must have it that way if the dictates of platform and expressed policy are to be nearly fulfilled. Moreover, it might be easily rationalized that the government bond market is as easily maintained or managed or even pegged at an average long term rate of 3½% or lower as at 3¼%, once the pattern is established.

We, of course, believe it would be easier for all, were the market to seek its level within reasonable limits. This concept, however, is both outmoded and outvoted and seems not slated for reconsideration in the near future.

In connection with our easy money policy it is interesting to note that the appropriation of \$600,000,000 to begin a long-term economic aid program for Latin America was approved by the Senate on May 10. This in itself is perhaps all to the good. The House had passed the measure with but few limitations. It was amended in the Senate to the extent that Latin America credit institutions engaged in financing the consequent low income housing must limit the interest charged to 8%. This should be ironic enough for anyone interested!

Inventory Paring

The municipal bond inventory situation is favorable. A week ago the "Blue List" reported a state and municipal bond total of \$368,767,000 down from \$411,061,000 the week previous (April 27). At this writing (May 10) the total is reported as \$373,915,000. The visible supply of state and municipal bonds also continues favorable to the market. In the scheduled bid rate category but little over \$400,000,000 is presently listed. In the negotiated category, the \$45,000,000 Turnpike Authority of Kentucky, western division issue still looms as the lone sizable imminent flotation.

This season seems notable for its lack of interesting new issue financing. There appears little of the "new frontier" emerging through constructive activities via public bond offerings. It could be that much of it will masquerade through Treasury bills and notes.

Recent Awards

The largest issue of the week, \$22,000,000 Puerto Rico Water Resources Authority serial bonds, were sold through negotiation, to a large group managed jointly by The First Boston Corp., Ira Haupt & Co. and B. J. Van Ingen & Co., Inc. on Tuesday, May 9. This issue of electric revenue bonds maturing 1963 to 1998 was priced to yield from 2.15% to 4.10%. The last maturity was heavily (\$11,600,000) weighted in order to establish a pattern of near level

debt service for all the Authority's outstanding bonds. The entire issue was sold by the managers at net prices as a group sale.

The week's largest competitive issue, \$21,500,000 Cincinnati, Ohio, various purpose limited (1962-1986) and unlimited tax (1962-2001) bonds were awarded to the group managed jointly by The First National Bank of Chicago, The Chase Manhattan Bank, the Bankers Trust Co. and the Morgan Guaranty Trust Co. Included among the other major underwriters in the account were the Chemical Bank New York Trust Co., Smith, Barney & Co., Drexel & Co., and C. J. Devine & Co.

The \$12,750,000 unlimited tax loan was scaled upon reoffering to yield from 1.40% in 1962 to 3.40% in 1989 for 3s and 3½s. The 1990 to 2001 maturities were not reoffered. The \$8,750,000 limited tax issue was priced to yield from 1.50% to 3.40% as 3½s. The present balance is reported as \$8,441,000.

In Smaller Vein

There were several interesting smaller issues which also sold during the past week. On Thursday, May 11, an issue of \$7,500,000 Port of Seattle, Washington harbor improvement bonds, due 1963-1971 attracted seven bids. The high bid was submitted by the syndicate managed jointly by the Morgan Guaranty Trust Co. and Kuhn, Loeb & Co. The proceeds from this issue, part of the \$10,000,000 authorized by the electorate last November, will be used to modernize and expand the facilities of the Port. The bonds were reoffered to yield from 1.90% to 2.85% for various coupons. Investor interest to date has been good. Approximately \$3,750,000 of the bonds remain in account.

On Friday, May 5, the Pearl River Valley Water Supply District, Mississippi, came to market with \$8,800,000 reservoir (1964-1999) bonds payable from various revenues and taxes. The District is composed of five counties and includes the state capital, Jackson. The proceeds from this issue will be used to continue construction of a dam and lake near the City of Jackson. These improvements will provide Jackson with an adequate water supply through the year 2000 and will aid in developing the surrounding areas for recreational purposes as well.

The bonds were won by the syndicate managed by F. S. Smithers & Co. and including Hornblower & Weeks, Goodbody and Company, First of Michigan Corp., Paine, Webber, Jackson & Curtis, Lee Higginson Corp., and others. The serial bonds (1964-1998) were priced to yield from 2.50% to 4.05% for 4s. At present, about 25% of the bonds remain in account. The \$3,510,000 term loan due in 1999 which was priced to yield 4.10% for 3½s was immediately sold on reoffering.

Madison, Wisconsin, an infrequent borrower with an excellent over-all debt rating, sold \$6,275,000 various purpose (1962-1981) bonds at an auction sale on Monday, May 8. The Halsey, Stuart & Co. and Kider, Peabody & Co. group outbid five other syndicates for the issue. Included among others in the winning group were John Nuveen & Co., White, Weld & Co. R. W. Pressprich & Co. and The Philadelphia National Bank. The issue was reoffered to yield 1.40% to 3.15% for 3s. The present balance is \$5,200,000.

On May 9, San Diego County, California, awarded \$7,500,000 bonds, due 1962-1981 to the group managed jointly by Blyth & Co., Inc. and the Security First National Bank of Los Angeles; among the other major underwriters were Lehman Brothers, Kuhn, Loeb & Co., Drexel & Co.,

Continued on page 7

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of \$1,000,000 or more for which specific sale dates have been set.

May 11 (Thursday)

Bowling Green St. University, Ohio	4,500,000	1963-2000	11:00 a.m.
Cumberland County, Tenn.	1,075,000	1965-1980	10:00 a.m.
Cuyahoga Falls City School Dist., Ohio	2,000,000	1962-1981	1:00 p.m.
Multnomah County School District No. 3, Oregon	1,650,000	1961-1970	8:00 p.m.

May 12 (Friday)

Oklahoma Industrial Finance Authority, Oklahoma	2,000,000	1991	9:00 a.m.
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May 15 (Monday)

Baker, Oregon	1,014,000		7:30 p.m.
Chicago, Ill.	40,000,000	1963-1981	10:00 a.m.
Florida Development Comm., Fla.	2,600,000	1963-1976	11:00 a.m.

May 16 (Tuesday)

Berkeley, Calif.	1,643,000	1962-1981	8:30 p.m.
Fairbanks Indep. Sch. Dist., Alaska	1,000,000	1962-1981	8:00 p.m.
Greenville - Spartanburg Airport District, S. C.	3,000,000	1964-1991	Noon
Jefferson County Sch. Dist., Colo.	4,200,000		
Marion, Ind.	4,000,000	1962-1996	10:00 a.m.
New York State Housing Auth. (Negotiated offering to be handled by a syndicate headed by Phelps, Fenn & Co., Inc.)	50,000,000		
Portland Water District, Me.	1,000,000	1981	Noon
Stanislaus County, Calif.	1,000,000	1962-1982	10:00 a.m.
Sweetwater Union High School District, Calif.	1,370,000	1966-1985	10:30 a.m.
Wichita, Kansas	2,244,000	1962-1971	9:00 a.m.

May 17 (Wednesday)

Cook County, Niles Township Community High School District No. 219, Illinois	6,875,000	1963-1978	8:00 p.m.
Framingham, Mass.	1,350,000	1962-1981	11:00 a.m.
New Orleans, Louisiana	1,500,000	1962-1990	10:00 a.m.
Pennsylvania State Public School Building Authority, Pa.	24,580,000	1961-2000	Noon
University of Illinois	7,100,000	1963-2000	11:00 a.m.
Van Dyke School District, Mich.	1,500,000	1963-1987	7:30 p.m.
Warren Consol. Sch. Dist., Mich.	2,750,000	1963-1987	8:00 p.m.

May 18 (Thursday)

Janesville, Wisconsin	2,615,000	1962-1981	11:00 a.m.
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May 19 (Friday)

West Virginia Board of Education, West Virginia	1,150,000	1963-1990	3:00 p.m.
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May 20 (Saturday)

North Dakota St. Bd. of Higher Education, North Dakota	1,200,000	1963-2000	2:00 p.m.
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May 22 (Monday)

Cedar Rapids, Iowa	1,900,000	1962-1980	10:00 a.m.
Cook County, Arlington Heights School District No. 25, Ill.	1,125,000	1963-1980	7:30 p.m.
Monterey Union High Sch. Dist., California	3,200,000	1962-1986	10:30 a.m.
Mount Mercy College, Pa.	1,598,000	1963-2000	10:00 a.m.
Palm Springs, California	3,000,000	1962-1991	3:00 p.m.
South River School District, N. J.	1,650,000	1962-1980	8:00 p.m.
Yellowstone County School Dist., Montana	1,800,000	1962-1981	8:00 p.m.

May 23 (Tuesday)

Albemarle, North Carolina	1,775,000	1963-1986	11:00 a.m.
Craven County, North Carolina	1,000,000	1963-1985	11:00 a.m.
Delhi Township, Michigan	1,493,000	1963-2000	8:00 p.m.
Glendale, Wisconsin	2,900,000	1963-1981	11:00 a.m.
Owensboro, Ky.	25,000,000	1962-1991	
Oyster Bay and North Hempstead Central Sch. Dist. No. 1, N. Y.	1,895,000	1962-1990	2:00 p.m.
Riverside, California	5,600,000		
Salt Lake County Improvement District, Utah	1,200,000	1964-1991	5:00 p.m.
Spartanburg, S. C.	1,300,000	1962-1991	Noon
Whitefish Bay, Wisconsin	2,100,000	1963-1981	11:00 a.m.
Wicomico County, Md.	1,800,000		

May 24 (Wednesday)

Houston, Texas	17,225,000		
Racine, Wisconsin	4,150,000	1962-1981	2:00 p.m.
St. Lucie County, Florida	1,600,000	1961-1982	2:00 p.m.

May 25 (Thursday)

Grand Forks Indep. School Dist., North Dakota	1,075,000	1963-1980	11:00 a.m.
Matawan Township Sch. Dist., N. J.	2,375,000	1962-1982	8:00 p.m.
Oceanside Small Craft Harbor District, Calif.	4,500,000	1965-1996	Noon
South Davis County Sewer Improvement District, Utah	1,500,000	1963-1991	8:00 p.m.

May 29 (Monday)

Akron, Ohio	5,000,000	1932-1981	2:00 p.m.
Maricopa County School District No. 210, Arizona	3,300,000	1967-1977	11:00 a.m.

May 31 (Wednesday)

Hardin-Jefferson Counties Consol. Indep. School District, Texas	1,001,000		7:30 p.m.
Lafayette Parish Sewerage District No. 1, La.	1,452,000	1962-1991	4:00 p.m.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978-1980	3.60%	3.45%
Connecticut (State)	3¾%	1980-1982	3.35%	3.20%
New Jersey Highway Auth., Ltd.	3%	1978-1980	3.30%	3.20%
New York (State)	3%	1978-1979	3.25%	3.10%
Pennsylvania (State)	3¾%	1974-1975	3.05%	2.90%
Vermont (State)	3¾%	1978-1979	3.20%	3.05%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.30%	3.20%
Los Angeles, Calif.	3¾%	1978-1980	3.65%	3.50%
Baltimore, Md.	3¾%	1980	3.35%	3.25%
Cincinnati, Ohio	3½%	1980	3.35%	3.25%
New Orleans, La.	3¾%	1979	3.65%	3.50%
Chicago, Ill.	3¼%	1977	3.65%	3.50%
New York City, N. Y.	3%	1980	3.55%	3.45%

May 10, 1961 Index=3.273%

Tax-Exempt Bond Market

Continued from page 6

and Ira Haupt & Co. The bonds were scaled to yield 1.50% to 3.45%. At this writing about 75% of the bonds are out of account.

On the same day, Albany County, New York, came to market with \$4,400,000 Airport Acquisition, general obligation (1962-1975) bonds. The syndicate headed by the Morgan Guaranty Trust Co. and The First National Bank of Chicago was the successful bidder for the issue. Priced to yield from 1.50% to 3.25% for 2.90s, the issue was well received on reoffering. The present balance is \$815,000.

Toll Issues Attractive

Toll road issues have gone with the market as is usual. Some have recently done a little better than the market which is not unusual. The Smith, Barney & Co. Turnpike Bond Index averaged a 3.68% yield on May 4, latest reporting date. This indicated a three-eighths of a point improvement over the preceding week's index. Substantial gains have been made by West Virginia Turnpike and Kansas Turnpike issues, among others. Since April 27 the West Virginia Turnpike 3 3/4s are up for 58 1/4 bid to 61 1/2 bid. The Kansas Turnpike 3 3/4s are up from 80 bid to 82 1/2 bid. Revenue statements for most of the toll revenue issues invariably show relative improvement.

Many of these closed-end issues continue to be under-rated by investors with emphatic first impressions. We would add that most of the toll road bonds sell at lower prices now than when they were avidly snapped up and hungrily sought by almost all classes of investors on more or less speculative premises. Now many of these same issues are well seasoned and may likely be refunded or called within a few years.

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Interest Rate Outlook And the New Frontier

By Dr. E. Gordon Keith,* Associate Dean, Wharton School of Finance & Commerce, University of Pennsylvania, Philadelphia, Pa.

Dr. Keith assumes we are moving into a slow but steady recovery period in predicting little change in long-term interest rates for the near future. Other interest rate projections are made based on the economy's health and skepticism is expressed regarding the new "nudging" policy's ability to effect any significant change in the structure of interest rates.



Dr. E. Gordon Keith

Those who read President Kennedy's *Economic Message* know that he expressed the hope that long-term interest rates could be lowered, but without reducing short-term rates. But what we do not know is how far the Federal Government can or will go in the pursuit of these objectives, and to what extent it is likely to be successful. These are not easy questions to answer, and one can only hazard a guess concerning many of the factors which will have a bearing on interest rate movements during the coming year. I cannot offer a confident prediction; but I can point out some of the known elements of the problem, and I can suggest at least a range of possibilities, which can be taken as a point of departure by anyone bold enough to want to push on for something more precise.

Before one can understand the behavior of interest rates, one has to know something about the factors which determine both the level and the structure of these rates. What makes interest rates rise at times and fall at others? Why is the spread between long-term and short-term rates greater at some times than others? And what can the government do to influence the outcome in any given situation? This paper is too short to present a theory of interest rate behavior; but at the risk of some over-simplification, let me say that the rate of interest, as the price paid for loanable funds, can be thought of as being determined by the interacting forces of supply and demand. In other words, when the demand for loanable funds is great relative to the available supply of such funds, interest rates are likely to rise, and vice versa.

If, therefore, we want to know if interest rates are going to rise, or fall, or remain unchanged, we must first try to forecast the extent to which the demands of individuals, corporations, and public bodies for credit are likely

to rise or fall in the months ahead, and to compare these forecasts with those which we must make of the funds that will be coming on the market from the principal suppliers: the financial institutions, the commercial banks, and other investors.

Fortunately, we can estimate the principal demand factors from what we know about plans for housing construction, business investment in plant and equipment, and public construction programs. We are not in quite so good a position to predict the needs of business for funds with which to increase inventories; nor are we ever certain as to how much consumers are going to want to borrow for the purchase of automobiles and other durable goods. At the present time, there are indications that plant and equipment outlays will be somewhat less in 1961 than they were in 1960.

On the other hand, some improvement is expected in housing activity, which should mean an increase in the demand for mortgage credit. There are also indications that government and agency borrowing will increase somewhat, and that the inventory liquidation that has been experienced during the past two quarters will shortly cease. If, therefore, we succeed in moving into the recovery phase of the cycle during the present quarter, as seems likely, an overall increase in the demand for credit is indicated.

Although this combination of circumstances should bring with it some firming of interest rates, there does not appear to be any likelihood of long-term rates being pushed up appreciably, since the supply of such funds from personal and institutional savings will probably be ample to meet the 1961 credit requirements. This forecast of little change in long-term interest rates for the immediate future is, as I have indicated above, based on the assumption that we are moving into a period of slow but steady recovery. If we achieve this, even though unemployment remains higher than we should like to see it, the Fed, operating under the constraints of a weak balance of payments position, is unlikely to make any very determined push for lower interest rates.

On the other hand, if recovery falters somewhere along the line, the Fed may be unable to resist the demand for easy money, even though Chairman Martin has publicly expressed the view that monetary measures may not be too effective against the kind of unemployment that we are now experiencing. Still another possibility is that our recovery may be more rapid than is presently indicated. In this case, the Fed would presumably move in the direction of tighter money as a means of tempering an incipient boom. In other words, the movement of interest rates will be largely determined by economic developments, with the Fed playing the traditional role of a central bank in attempting to counter inflationary or deflationary tendencies.

Interest Rate Structure

As regards the structure of interest rates, the general tendency is for long-term rates and short-term rates to move together and in the same direction, but with different amplitudes. There have been times, such as during the Spring of 1952, when falling long-term rates were accompanied by rising bill rates, but these contradictory trends have usually been due to special circumstances that have not long persisted. In an attempt to spur long-term private and public investment without encouraging the movement of short-term capital abroad, the Fed has recently abandoned its

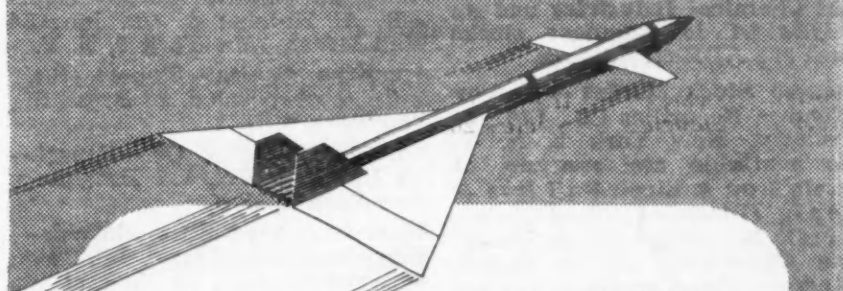
"bills only" policy, and undertaken to push up medium and long-term bond prices by modest purchases of these securities in the open market. At the same time, the Treasury has concentrated its own borrowing operations in the bill market.

These operations enjoyed some initial success, but there is considerable doubt whether they have effected any significant change in the structure of interest rates. Especially in the face of an expected recovery, and a widespread conviction among borrowers and lenders that interest rates are more likely to rise than to fall, the upward pressure on long-term rates could become difficult for the Fed to resist unless it was prepared to embark on a much more ambitious open market purchase program than it has yet undertaken. There is reason to question whether the present Board of Governors would be willing to do this.

*A talk by Dr. E. Gordon Keith before the 41st annual conference of the National Association of Mutual Savings Banks, Philadelphia, Pa., May 2, 1961.

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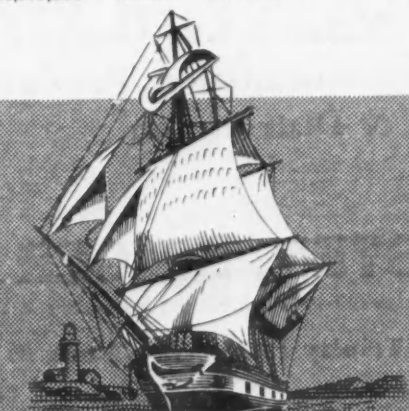
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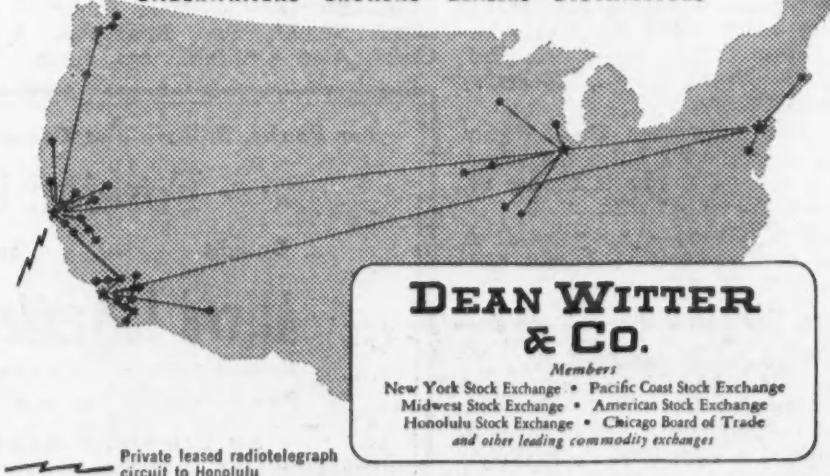
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TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Bank Stocks—Earnings comparison of 20 leading bank stocks outside New York—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Bank Stocks—116th consecutive quarterly comparison of leading banks and trust companies of the United States—New York Hanseatic Corp., 120 Broadway, New York 5, N. Y.

Canadian Gas & Oil and Base Metals—Resume of 50 companies—Draper Dobie and Company, Ltd., 25 Adelaide Street, West, Toronto, Ont., Canada. Also available are five portfolios for the small investor.

For Yield and Appreciation—Bulletin on 11 Canadian issues which appear interesting—Wills, Bickle & Company Limited, 44 King St., West, Toronto 1, Ont., Canada.

Japanese Market—Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are reports on Nippon Chemical Industrial Co. and Nippon Toki Kaisha, Ltd.

Japanese Market—Review—Nikko Securities Co., Ltd., 25 Broad Street, New York 4, N. Y. Also available is a report on Mitsubishi Chemical Industries and an analysis of 16 Japanese stocks which are ADR candidates.

Japanese Stock Market—Survey—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available are analyses of Yawata Iron & Steel; Fuji Iron & Steel; Hitachi Limited (electronics); Kirin Breweries; Sumitomo Chemical; Toyo Rayon; Toanryo Oil Company; Sekisui Chemical Co. (plastics); Yokohama Rubber Co.; and Showa Oil Co.

Oil & Gas Interests—Information on tax shelter advantages—Admiral Oils Inc., 400 B Bettes Bldg., Oklahoma City 6, Okla.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period—National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Rails—Review—H. Hentz & Co.,

72 Wall Street, New York 5, N. Y. Also available are reports on Maxson Electronics Corp. and Wilson & Company.

Rails—Review—Amott, Baker & Co. Incorporated, 150 Broadway, New York 38, N. Y.

Stocks With Recovery Possibilities—In current "Pocket Guide"—Harris, Upham & Co., 120 Broadway, New York 5, N. Y.

Alterman Foods, Inc.—Memorandum—E. F. Hutton & Company, 61 Broadway, New York 6, N. Y. Also available is a memorandum on General Mills, Inc.

Amerada—Memorandum—Gartman, Rose & Feuer, 1 Wall Street, New York 5, N. Y.

America Corporation—Bulletin—M. W. Janis Company, Inc., 19 Rector Street, New York 6, N. Y. Also available are bulletins on Bon Ami Company and Sagamore Manufacturing Co.

American Distilling—Memorandum—Oppenheimer, Neu & Co., 120 Broadway, New York 5, N. Y. Also available are memoranda on American Optical, Bendix, New England Electric System and Warner-Lambert.

American Duralite Corp.—Report—R. A. Holman & Co. Inc., 54 Wall Street, New York 5, N. Y.

American Optical—Report—Blair & Co., Incorporated, 20 Broad St., New York 5, N. Y.

American Seating Co.—Report—Ira Haupt & Co., 111 Broadway, New York 6, N. Y.

Associated Australian Oilfields—Memorandum—Chace, Whiteside & Winslow, Inc., 24 Federal St., Boston 10, Mass.

B. F. Goodrich Company—Analysis—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available is a bulletin on Neptune Meter.

Briggs & Stratton—Memorandum—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also available is a memorandum on U. S. Plywood.

Brunswick Corp.—Memorandum—Orvis Brothers & Co., 15 Broad Street, New York 5, N. Y.

Carolina Natural Gas Corporation—Analysis—First Securities Corporation, 111 Corcoran Street, Durham, N. C.

Caterpillar Tractor—Survey—Abraham & Co., 120 Broadway,

New York 5, N. Y. Also available are surveys of Englehard Industries and Southern Railway.

Cohu Electronics—Report—Purcell & Co., 50 Broadway, New York 4, N. Y.

Colgate-Palmolive Company—Analysis—Emanuel, Deetjen & Co., 120 Broadway, New York 5, N. Y.

Columbia Pictures Corporation—Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Combustion Engineering Inc.—Review—Fahnestock & Co., 65 Broadway, New York 6, N. Y.

Also available is a review of Canadian Breweries Ltd.

Combustion Engineering Inc.—Analysis—Hornblower & Weeks, 40 Wall Street, New York 5, N. Y.

Combustion Engineering Inc.—Report—Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a report on Boeing Company.

Consolidated Foods Corporation—Statistical Study—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available are analyses of Borg Warner Corp., Western Kentucky Gas Company, Central Maine Power Company, Hammond Organ Company, and Warner Electric Brake & Clutch Co.

Controls Company of America—Analysis—Eisele & King, Libaire, Stout & Co., 50 Broadway, New York 4, N. Y.

Disc, Inc.—Report—Arden Perin & Company, 510 Madison Avenue, New York 17, N. Y. Also available are reports on Elder Developments, Glickman Corp., Reilly-Wolf Associates and U. S. Components.

L. A. Darling Co.—Memorandum—Wm. C. Roney & Co., Buhl Building, Detroit 26, Mich. Also available is a memorandum on Jacobsen Manufacturing Co.

Data Control Systems, Inc.—Bulletin—Bruno-Lenchner, Inc., Bigelow Square, Pittsburgh 19, Pa.

Diversey Corp.—Report—Colly & Company, Inc., 85 State Street, Boston, Mass. Also available are reports on E. W. Bliss Co. and Colgate-Palmolive.

Economics Laboratory—Analysis—Boenning & Co., 1529 Walnut Street, Philadelphia 2, Pa. Also available is a report on Transamerica-Pacific Finance merger.

First Charter Financial—Review—Hemphill, Noyes & Co., 15 Broad Street, New York 5, N. Y. Also available are reviews of National Homes, Schlumberger, Ltd., Vanadium Corporation of America and Varian Associates.

First Charter Financial Corporation—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also available are data on Atlantic Refining.

Garrett Corporation—Review—Hirsch & Co., 25 Broad Street, New York 4, N. Y. Also available are reviews of General Instrument and Northrop Corp.

General Plywood—Discussion—Winslow, Cohu & Stetson, 26 Broadway, New York 4, N. Y. Also available is a memorandum on Automation Industries, Inc.

Grolier, Inc.—Detailed Analysis of History and Financial Outlook—RSS Report No. 19—Dept. R-1, Danforth Epply Corp., Wellesley Hills 81, Mass.

Gulf Life Insurance Co.—Memorandum—Stewart, Eubanks, Myerson & Co., 216 Montgomery St., San Francisco 4, Calif.

Hamilton Cosco—Analysis—J. A. Hogle & Co., 40 Wall Street, New York 5, N. Y.

Harsco Corporation—Analysis—John H. Lewis & Co., 63 Wall St., New York 5, N. Y.

Howe Sound Company—Report—Albion Securities Co., Inc., 52 Broadway, New York 4, N. Y.

Hyster Company—Analysis—Dean Witter & Co., 45 Montgomery St., San Francisco 6, Calif.

Idaho Power Co.—Data—Schirmer, Atherton & Co., 50 Congress Street, Boston 9, Mass. Also available are reports on Maxson Electronics Corp., Boeing Airplane Co., and Super Market Distributors, Inc.

Imperial Chemical Industries, Ltd.—Analysis—W. E. Hutton & Co., 14 Wall Street, New York 5, N. Y. Also available is a report on Kendall Company.

International Rectifier—Memorandum—Ball, Burge & Kraus, Union Commerce Building, Cleveland 14, Ohio.

International Resistance—Analysis—Robinson & Co., Inc., 15th and Chestnut Streets, Philadelphia 2, Pa. Also available is the current issue of the "Robinson News Letter" discussing market conditions.

J-E Plastics Manufacturing Corp.—Report—Havener Securities Corporation, 165 Broadway, New York 6, N. Y.

Landsverk Electrometer Company—Bulletin—Taylor, Bergen & Co., 639 South Spring Street, Los Angeles 14, Calif.

Life & Casualty Insurance Company of Tennessee—Analysis—First California Company, Inc., 300 Montgomery Street, San Francisco 20, Calif. Also available are memoranda on Thermo King and Small Business Investment Companies.

Life & Casualty Insurance Co. of Tennessee—Analysis—Charles A. Taggart & Co. Incorporated, 1516 Locust Street, Philadelphia 2, Pa.

Loral Electronics Corp.—Data—Cooley & Company, 100 Pearl St., Hartford 4, Conn. Also available are data on International Resistance, Kaman Aircraft, Tandy Corp. and Pfauter Permutit, Inc.

McNeil Machine & Engineering Co.—Bulletin—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available is a bulletin on Mercantile Stores Company and a memorandum on Drilling & Exploration.

Middle South Utilities Corp.—Report—Evans & Co. Incorporated, 300 Park Avenue, New York 22, New York.

Miles Laboratories, Inc.—Report—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available is a bulletin on Steels for Cyclical Gains.

Mutual Fund Management Companies—Memorandum—Oppenheimer & Co., 25 Broad Street, New York 4, N. Y.

National Aviation—Bulletin—Walston & Co., Inc., 74 Wall St., New York 5, N. Y.

National Lead Company—Report—Courts & Co., 11 Marietta St., N. W., Atlanta 1, Ga. Also available is a memorandum on Automatic Merchandising Inc. and a report on Steel Stocks.

Ohio Edison Co.—Annual report—Ohio Edison Co., L. I. Wells, Secretary, Akron 8, Ohio.

Pacific Gas & Electric Co.—1960 Annual report—Pacific Gas & Electric Co., K. C. Christensen, Vice-President, 245 Market Street, San Francisco 6, Calif.

Producing Properties—Memorandum—Birr & Co., Inc., 155 Sansome Street, San Francisco 4, Calif. Also available are memo-

randa on Thomas & Betts and United Boatbuilders.

Ralston Purina Company—Card memorandum—Scherck, Richter Company, 320 North Fourth St., St. Louis 2, Mo.

Reichhold Chemicals Inc.—Analysis—Schweickart & Co., 29 Broadway, New York 6, N. Y.

Robertshaw-Fulton Controls—Report—Benjamin, Hill & Co., 25 Broad Street, New York 4, N. Y.

Schenley Industries—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

Sisters of Our Lady of Mercy of North Carolina—First Mortgage Serial Notes—Circular—B. C. Ziegler and Company, Security Building, West Bend, Wis.

Smith Corona Marchant—Data—Edwards & Hanly, 39 Broadway, New York 6, N. Y. Also available are data on Philadelphia & Reading.

Southern Gulf Utilities Inc.—Analysis—Halle & Stieglitz, 52 Wall Street, New York 5, N. Y.

Southern Natural Gas Co.—1960 Annual Report—Department FC, Southern Natural Gas Co., Watts Building, Birmingham, Ala.

A. E. Staley Manufacturing Co.—Review—Newburger & Company, 1401 Walnut Street, Philadelphia 2, Pa. Also available are reviews of American Viscose, Cooper Bessemer Corp., Lehigh Portland Cement Co., Merchants Fast Motor Lines, and Robertshaw-Fulton Controls Co.

Stone & Webster Incorporated—Analysis—Amott, Baker & Co. Incorporated, 150 Broadway, New York 38, N. Y.

Union Texas Natural Gas—Review—Penington, Colket & Company, 70 Pine Street, New York 5, N. Y. Also available are reviews of General Mills and Bon Ami Company.

United States Life Insurance Company—Analysis—William Blair & Company, 135 South La Salle St., Chicago 3, Ill.

United States Shoe Corporation—Bulletin—Bache & Co., 36 Wall Street, New York 5, N. Y.

U. S. Plywood Offer for Western Plywood—Discussion—Green-shields & Co. (N. Y.) Inc., 64 Wall Street, New York 5, N. Y.

Varifab, Inc.—Analysis—Herbert E. Stern & Co., 52 Wall Street, New York 5, N. Y.

Western Air Lines—Bulletin—John H. Lewis & Co. 63 Wall St., New York 5, N. Y.

Western Union Telegraph Company—Analysis—Robert Garrett & Sons, Garrett Building, Baltimore 3, Md.

Westinghouse Electric—Discussion—Stearns & Co., 80 Pine Street, New York 5, N. Y.

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The low point of the recession may now have been passed, the Federal Reserve Bank of New York observes in its May *Monthly Review*. The recent behavior of economic time series, including those regarded as "leading" indicators, has strengthened the impression that economic activity has begun to move in an upward direction.

"How can a lower turning point be clearly recognized when it does arrive? The Reserve Bank discusses the 12 economic series that the National Bureau of Economic Research has found commonly lead a turn in business activity, and another nine series found to coincide with the turn. While there are many pitfalls in the purely mechanical use of statistical series for predicting an upturn, the bank notes that the majority of the available leading series began moving upward in January and the majority of the available coinciding series in March.

There are as yet no signs that the recovery will be vigorous. The expansion could, nonetheless, start out with an initially strong upward thrust since a shift away from rapid inventory liquidation might give the economy a noticeable boost in coming months.

This is not likely to provide more than a temporary push, however, and might indeed convey a misleading impression of the rate of advance which the economy will achieve over a somewhat longer period. Even a rate of expansion in total output matching the improvement registered in the strongest postwar recovery period would in all likelihood leave unemployment higher than in previous recoveries because of the unusually large number of persons expected to enter the labor force.

Consumer outlays could well be the most significant force in the upturn. High personal savings and the recent decline in installment debt suggest that personal spending could be easily increased if there were a will to spend more. Relative stability in consumer prices during the past year may also prove to be a factor encouraging demand. Indeed, avoidance of price increases may be crucial for the achievement of sustained expansion in consumer buying.

Direct quotations from the bank's article on *The Business Situation* follow:

"During the first quarter of 1961, the nation's aggregate output of goods and services slipped by \$4 billion (seasonally adjusted annual rate) from the level of the preceding quarter of \$499.5 billion, according to preliminary estimates by the Council of Economic Advisers. The total decline in gross national product since the spring 1960 peak of \$505 billion has amounted to an estimated \$5.5 billion, or only 1%. In contrast, the full GNP decline in the 1957-58 recession amounted to 3½%, in 1953-54 to 2½%, and in 1948-49 to 3½%. Thus, if the first quarter proves to have been the low point of the current recession—and if the Council's estimates are confirmed by later data—the GNP decline this time will have been smaller than that recorded in any of the three previous postwar recessions.

"Although net inventory liquidation in the first quarter of 1961 was larger than in the preceding quarter, the pattern of inventory change shifted in an encouraging direction. Cutbacks in stocks, previously entirely at the manufacturing level, were largely at the

retail level. Moreover, the reduction in manufacturers' stocks were very small and were spread rather evenly over all levels of fabrication. This suggested that manufacturers in general did not feel that their stocks were excessive, and that in some cases rising demand could be satisfied only from inventories. A major part of the retail liquidation probably centered in automobile dealers' inventories, which were unusually burdensome at the turn of the year; by the end of March, lower output and higher sales had reduced auto inventories to a more acceptable level. Stocks were cut and sales expanded in late winter in other fields, too, with inventory-sales ratios falling accordingly. The way was thus paved for some increase in orders in various industries where new orders had been moving downward. This was already evident in the orders received by manufacturers in February (when the gains were, however, heavily boosted by a rise in the flow of defense contracts), and there was an even greater improvement in March.

"Reflecting the rising flow of orders, the Federal Reserve Board's index of industrial production, which had been falling almost without a break since last May, rose in March by half a point, seasonally adjusted. (On a rounded basis, the index remained level at 102 for the third consecutive month.) Most of the gain was in nondurable goods, but output also rose in some durable goods industries (mainly steel, furniture, and household appliances). During April steel output again rose,

contraseasonally, and the rate of auto assemblies also increased, even though there usually is a decline in that month."

Bank Clearings for Week Ended May 6 Show a 7.3% Rise Above Same Week Last Year

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, May 6, clearings for all cities of the United States for which it is possible to obtain weekly clearings was 7.3% above those of the corresponding week last year. Our preliminary totals stand at \$31,107,298,024 against \$28,986,403,787 for the same week in 1960. Our comparative summary for the leading money centers follows:

Week Ended	(000s omitted)		
May 6—	1961	1960	%
New York --	\$17,846,790	\$16,180,943	+ 10.3
Chicago ---	1,477,455	1,312,808	+ 12.5
Philadelphia	1,157,000	1,178,000	- 1.8
Boston ---	908,044	831,391	+ 9.2

Steel Production Data for the Week Ended May 6

As previously announced (see page 26 of our issue Dec. 22) the American Iron and Steel Institute has materially changed its weekly report on the steel industry operations. The revised formula no longer relates production totals as a percentage of the industry's operating rate based on the Jan. 1, 1960, over-all productive capacity. Instead, and effective Jan. 1, 1961, the output figures are given as an index of production based on average weekly production for 1957-59.

The revised method of reporting presents the following data:

Production for week ending May 6, 1961, was 1,943,000 tons (*104.3%), a 4.6% increase and output of 1,858,000 tons (*99.7%) for week ending April 29.

Production this year through May 6 amounted to 28,987,000 tons (*86.4%), or 36.8% below the

45,877,000 tons (*136.8%) in the period through May 7, 1960.

The Institute concludes with Index of Ingot Production by Districts, for week ended May 6, 1961, as follows:

*Index of Ingot Production for Week Ending May 6, 1961	
North East Coast	107
Buffalo	112
Pittsburgh	92
Youngstown	89
Cleveland	116
Detroit	117
Chicago	106
Cincinnati	113
St. Louis	111
Southern	101
Western	124

Total industry -- 104.3

* Index of production based on average weekly production for 1957-59.

Steel Output Rises for Eighth Consecutive Week

A strong pickup in automotive demand and steady seasonal gains in other markets mean second quarter steel ingot production will be up 20% instead of the 12% anticipated earlier, *Steel* magazine said.

Because cars and trucks are selling better, automakers are stepping up schedules and ordering more steel: Ford Motor Co. has upped its second quarter program for the third time in six weeks. White Motor Co. is increasing truck production at its Cleveland plant for the third time this year.

Since automakers have kept their steel inventories attuned to production at a low level, they haven't been able to boost their schedules without placing new orders and requesting early delivery of tonnage previously ordered.

The impact on order books of midwestern mills has been substantial. One big producer booked more tonnage in the last week of April than in any week since April, 1960.

Most steel forecasters queried believe second quarter steel ingot production will reach 23.6 million tons (vs. 19.7 million in the first quarter). May output will be close to 8.3 million tons—about 10% higher than last month's.

Look for ingot output in the week ending May 13 to exceed the 1.9 million tons that *Steel* estimates was made in the week ended May 6, the eighth consecutive week of rise.

It's hard to tell whether the uptrend will continue in June. Automotive buying is the big unknown and the most important factor. There's bound to be a dead month (when automakers are running out the last of their 1961 models) between now and August, and some mills think it may come as early as June.

The scrap price downward trend continues, influenced by a slackening in export demand. *Steel's* price composite on No. 1 heavy melting dropped 33 cents to \$37 a gross ton last week despite the vigorous recovery in steelmaking operations.

First quarter profits of metalworkers were below year ago levels, *Steel* said. The reasons: Consumer spending declined; manufacturers dug deeply into inventories; wage costs went up; and earnings were hurt by price fighting.

Five out of six metalworking companies in a sampling of 64 firms earned less in the first quarter this year than in the first quarter, 1960. Net income of the group was down.

Steelmakers' sales fell about 38% short of those in the like 1960 period, and the low rate of production forced earnings down an estimated 77%. Surveyed: 28 firms.

Two more companies may soon join the ranks of primary aluminum producers, *Steel* said. Howe Sound Co., Salt Lake City, Utah, and Cerro Corp., New York, are considered prime choices to be-

Continued on page 30

This advertisement appears only as a matter of record.

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The Dominion Securities Corporation

May 9, 1961.

Mutual Savings Banks Need A Central Industry Fund

By William A. Lyon,* President, Dry Dock Savings Bank, New York City

Mr. Lyon proposes mutual savings bankers organize a Central Industry Fund to protect and help the industry's growth somewhat akin to what Federal agencies do for commercial banks and savings and loan associations. In explaining just what such an organization could accomplish, which the present trade association cannot do, Mr. Lyon discusses the transition of the Vermont Savings Bank and the Society of Cleveland into commercial banks. Savings banks, he concludes, no longer can continue their loose, independent relationship. They must forge a stronger link from bank to bank, from State to State to resist "the attrition that has begun to appear in the number of savings banks."

Mutual savings banks have a need to recognize that they exist separately and to develop their individuality and self-sufficiency. They have a great need to realize also that they are dependent one on another. Their interdependence is so great, in fact, that they are unique in banking and quasi-banking. I should like to take a little time to spell out the reasons why I think savings banks, more than any other institutions in their field, can advance their individual interests best only if they are at the same time concerned deeply about the prestige and effectiveness of their industry. I will then propose certain steps calculated to promote industry solidarity and the well being of its component parts.

The idea is not a novel one, of course, that there are limits to our self-sufficiency and that, whether we like it or not, we derive much of our strength from our species. This great truth has been described in the most unforgettable way by a contemporary of Shake-

spere, John Donne, in his Devotion XVII. The lines are to be found in one of the three Devotions that grew out of the train of thought set going in his mind as he lay ill within sound of the bells in a nearby steeple.

"No man is an Island," he wrote, "intire of it selfe." The temptation is to go on quoting, but there is no need. The passage is now as familiar to us as a nursery rhyme. I will merely add that no savings bank is an island, either, entire of itself.

We in this industry do not exist each in his own watertight compartment. Whether we like it or not, the standing of our individual institutions is closely tied in with that of our whole industry. The simplest, most elementary self-interest calls for us to do all we reasonably can to keep our industry, as well as our own institutions, strong and to help our industry extend on a widening, not a narrowing, scale the services which we deeply believe to be in the public interest.

You may well think that this dual responsibility—the responsibility each savings bank has to itself and to the whole of which it is a part—is shared by every organization in every industry. I submit, though, that the situation in which savings banking finds itself is different. We must provide for ourselves an industry mechanism that is provided by the

Federal Government, through supervisory agencies, for our competitors in the commercial banking and savings and loan systems. Before arriving at the main point of my remarks I would like to throw in a few words first about what it means to be a unilateral system in a bilateral banking world.

Lack of Federal Backing

In savings banking we do not have a Federal system. You may say that state-chartered commercial banks, which constitute the majority of commercial banks, and state-chartered savings and loan associations, also in a majority, are not primarily part of Federal systems either. Yet both of these divisions of the state systems draw substantial benefit from the existence of Federal agencies concerned each in its own way and separately with national banks and Federal savings and loans. In both commercial banks and savings and loans there is rivalry between the state and Federal systems, and only an innocent would believe that the state and Federal supervisory bodies are immune to its effects. The Federal agencies, though they charter and have the primary supervisory responsibility for a minority of the institutions in each field, pull things together in a way for the entire industry. The Federal Government is a zealous parent of its offspring, and the Federal laws are designed to give the two Federal systems maximum powers in the competition with their state-chartered counterparts.

When the Federal Government launched the national banking system in 1863 it was so solicitous for the welfare of its creation that it all but drove state-chartered commercial banking out of existence by levying a discriminatory tax on any note issues except those of national banks. When the Federal Home Loan Bank System was trying to win a secure hold on life during the 1930's the Federal Government accommodately provided direct and indirect subsidies. It was made financially attractive to a number of savings and loans to detach themselves

from the state system and join up with the budding Federal system.

More important than this aid at birth, however, is the close watch kept by the Federal agencies over their wards long past infancy. The loyalties of the Federal agencies are not weakened or delayed or confused by an obligation to have a regard for the rights of competing systems. The Federal Home Loan Bank Board concentrates on the well being of the savings and loan system. The Comptroller of the Currency is sleepless and tireless in his effort to preserve and advance the national banking system. How simple, how single-minded all this is! What dedication it permits! It has often been said that these two Federal agencies are neutral on the side of their own systems. Large families may have their advantages, but it is the only child who gets the most solicitude and indulgences.

State Supervision's Broader Interest

With state supervision it is different. The responsibilities of the typical state supervisor extend to more than one type of institution. The many-sided nature of his responsibilities usually persuades him to confine his championing to the state system in the abstract. The institutions in the separate industries pretty much fend for themselves, for if he speaks up for the savings banks the commercial banks are likely to say, or feel, that he has lost his above-the-battle impartiality, his Olympian detachment. The same goes if he says a good word for both but neglects to include the savings and loans. At the same time, the state supervisor is not permitted to forget for one moment that if his commercial banks or savings and loans do not get treated about as well as their Federal counterparts they are in most cases free to pack up and leave the state system.

Only the mutual savings banks are lacking the benefits which Federal and state supervisory rivalry and pride give rise to. In many ways the states have been mindful of the legitimate claims of mutual savings banking. The legislatures over the years have in the main kept the laws affecting savings banking sufficiently up to date to permit the system to serve the public usefully. Our ties with state supervision are old and close, and this industry would be remiss if it did not express its appreciation of the understanding of its problems which state supervisors customarily show. After all, mutual savings banking is the one purely state system, and in a few states it comprises a highly significant part of the state supervisor's responsibility. My remarks are not intended to be in any sense critical of state supervision. The state supervisor is really in the same boat we are. His scope is geographically so limited.

But as the struggle for the right to serve the thrifty has grown more intense the commercial banking and savings and loan systems have been pulling ahead, profiting as they have from the efforts of the two Federal agencies to gain new advantages for their systems and the compulsion the state supervisors have been under to see that their institutions in the same fields are not out-distanced. This Federal-state rivalry and its benefits have passed this industry by.

Savings banking has been trying to do something about its position in this tug-of-war by causing to be introduced a bill calling for Federal charters for savings banks and an independent supervisory body, with no complicating obligations to other types of institutions. This industry believes with complete sincerity that the national interest would be advanced if this bill should win Congress's approval without delay.

Central Industry Fund

In the meantime—and here I come to the proposal that I promised at the outset to make—I believe that savings banking could be doing something more effective to offset, at least in part, its present lack of an official body in Washington to act as a rallying point, as a defender, as an advocate of the system. Our efforts in behalf of our industry could be more telling if we should organize a Central Industry Fund. The National Association of Mutual Savings Banks' Committee on Relations with Federal Supervisory Authorities has had such a fund under study for more than a year. It has concluded that such a fund is both feasible and desirable. At its meeting last month the National Association's Executive Committee, after extended consideration, directed that the project be laid before the membership with its own indication of support and interest.

The purposes of the Central Industry Fund would be:

- (1) The extension of the industry by aiding in the formation of new banks.
- (2) The preservation and strengthening of the industry by aiding existing banks.
- (3) Industry Education.
- (4) Special Advertising.

How would the Funds be formed? Through a separate membership corporation. Mutual savings banks could become members by responding voluntarily to the first membership assessment by the corporation. They would retain membership by responding to any further assessments.

I'm sure there is some interest in the word "assessments." They would be entirely voluntary and moderate in size—significantly less, for example, than the annual dues of the National Association. Furthermore, this Fund, at least in its early years, would be operated, it seems to me, primarily on a project basis. Assessments would be made—and I want to make clear that nothing like an annual assessment is in mind—only after technical aid and advice had been found to be insufficient to provide the remedies and solutions.

It is proposed that the Fund be managed by a board of seven directors. It can be expected that the Board elected by the Fund would be drawn from the members of the Board of the National Association, with due regard, of course, for the membership of the nominees' banks in the Fund.

The Committee on Relations has caused a check to be made in various states of the legal authority of savings banks to respond to voluntary assessments for the Fund's purposes. It seems to me that there is in state supervision a precedent of sorts for what is here proposed. Only a few years ago, in an effort to overcome in part the limitations of their statelessness to forge stronger national ties among themselves, the state supervisors, relying on voluntary support of state-chartered institutions, established a Washington office. Savings banks are substantial supporters of this effort of state supervision to obtain greater cohesiveness—to make a whole thing, in other words, out of disjointed parts.

Bankers may be interested in this paragraph from the written opinion of a New York City law firm commanding great respect at the bar:

"In the last decade leaders of individual savings banks have come to appreciate that their own survival requires the maintenance of a strong savings bank system throughout the country. The conviction has grown among these leaders that the loss to the industry of even one mutual savings bank through liquidation, merger with a commercial bank or otherwise, results in a *pro tanto* dimi-



William A. Lyon

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nution in the influence of every other savings bank in the country—influence to withstand competition, encourage thrift, promote savings, and make available to depositors the largest possible return consistent with safety. This potential loss must be met if the industry is to be effective as a national force in banking. It is in each member bank's interest that other banks be as strong as local competition permits, that public confidence be maintained in mutual savings banks, and that more people be educated as to the benefits to be derived from savings banks."

What the Fund Could Do

What could the Fund hope to accomplish? A number of things. Take the formation of new savings banks. If the system is going to extend itself beyond the seventeen states to which it is now confined, and if it is going to help some of the seventeen states get more adequate savings bank service, under present conditions we are going to have to do it ourselves. Some day a Federal agency may be able to help, but that day is not yet. Every so often inquiries from around the country come in to the National Association asking for information about how to go about forming a new savings bank. The Fund would be able, in this field, to implement the efforts of our Committee on Extension of the Mutual Savings Bank System.

More is needed here than a certain limited supplementing of local organizing funds. The Fund can also help in providing professional, operational, legal and other nonfinancial assistance to the incorporators and trustees of a new bank. If there were a Federal savings bank supervisory agency, encouragement and support for the new member of the family in Alaska would be promptly forthcoming. Still, we can do something more than stand idly by. With the help of various kinds that the Central Fund can give, the Alaskan public can soon begin to reap the benefits for the worthy causes of thrift and home financing that a new savings bank could contribute.

Aside from helping once in a while to get a new savings bank organized, or to make it possible for an existing savings bank here and there to extend and improve its service, the Fund might be of substantial use in resisting the attrition that has begun to appear in the number of savings banks. Make no mistake about it, efforts are being made from the commercial bank direction to pick off the unwary and sometimes the weary savings bank. Sometimes also of late a savings banker may decide that he would like to work more for his own enrichment, through stock ownership or otherwise, than is possible in a mutual savings bank. Accordingly, he greases the skids for the savings bank and sends it right into a commercial bank.

Cites Two Examples

It would be idle to pretend that a Central Fund would be able to deal successfully every time with the various influences serving to raid or undermine this industry. But some countermeasures the Fund could take. The lack in our industry of a Federal saving bank supervisor was never more glaringly apparent than in the case of the Vermont Savings Bank, of Brattleboro, a few years ago. There was nothing official in Washington circles to oppose the commercial bank view that it made no difference whether the Vermont Savings Bank was gulped down by a far smaller commercial bank or, with Treasury tolerance, was permitted to continue its independent existence. Of course, the savings depositors know the difference when they compare the interest they

are now receiving from the national bank with that being paid to mutual savings bank depositors in Vermont. Had the Central Fund existed at that time, the Vermont Savings Bank could have survived and continued to provide its unique service to the people of Southern Vermont.

It would be comforting to think that the Fund could have retained the Society for Savings of Cleveland in the industry. But that might be expecting too much. I cannot believe that the snuffing out by insiders of the life of that old, honorable and useful institution has added one particle to the public advantage. The bank's surplus was slowly built up over 100 years out of earnings withheld from the savings of people of small means. Overnight this surplus was converted from a community asset to private gain. This sort of thing—to use the gentlest possible words—is not in the highest reaches of service to the public. Of course, the Fund might be able to see that legal talent was retained to inform the Court fully of the significance of this most reprehensible deed in Cleveland. No strain is placed on the imagination when one tries to think of what a Federal supervisor of savings banking would be doing while the Comptroller of the Currency was giving his blessing to this conversion of a defenseless bank. While all this was going on the State Supervisor must have felt obliged, as the poet said, to see with equal eye, as God of all, a hero perish or a sparrow fall.

The Central Fund could stand ready to make available to any savings bank the best wisdom and experience in the industry so that it might deal more effectively with surplus and earnings problems. By drawing on the accumulated store of expertness in the industry a savings bank may well be able to improve its own performance greatly. A modest advance from the Fund to the bank's surplus may accelerate the improvement and serve to retain the bank in the system. Occasionally the Fund might help a well run bank, by an advance to its surplus, to extend its facilities to areas unserved by savings banking.

Events have forced savings banking onto the national scene. Our offices are confined to a relatively small area geographically—seventeen states out of fifty—but we go into almost every state in our search for home mortgage loans. Legislation comes up frequently in Washington vitally concerning savings banking—it is enough to mention only taxation—and we are at a disadvantage in opposing repressive measures or in furthering helpful legislation, such as Federal charters for savings banks, because members of Congress know us at first hand in so few states. Extension of savings banking to still more states thus is desirable not merely in itself but for self-preservation as well.

It is proposed also that the Fund help with advertising outlays in special situations, such as the opening of a new bank, and for scholarships to the Graduate School of Savings Banking. A certain number of these scholarships would undoubtedly be helpful to the small banks.

Conclusion

In concluding I should like to return to the case for a greater sense of system in savings banking. The tendency among individual savings banks has been to concentrate on their own particular problems and to assume that in a vaguely wondrous way an industry would somehow knit itself together. It is as though homeowners should imagine that if they cultivated a few rows of vegetables in their back yards a national farm policy would

emerge. For the present it is up to us to make a more determined effort to forge a stronger link from bank to bank, from state to state, so that we can supply ourselves, from within, the cohesiveness and unity and sense of a widespread system that a Federal supervisory agency, devoted solely to our industry, could provide.

This is a task that a trade association is not ideally designed to perform. Supervisory bodies in their very nature have ways of originating policy, of taking the initiative promptly and strongly, of enlisting industry support of programs that are not at the disposal of voluntary membership organizations. But if we form the new Fund we thereby give our National Association a new instrument that can help it become even more effective in our industry's behalf. We who preach self-reliance to the thrifty must be mindful of our own teaching.

This is a fiercely competitive world and a fiercely competitive sector of the economy that we do business in. They will survive in the thrift field who are fit to survive and who are willing to throw into the struggle for survival not only a strenuous effort but an imaginative effort. To recall a glorious past is not enough. A good competitive position is not something which, once gained, can be retained as a matter of right for all time. Claim to it must be re-established each new day, each new year, each new generation.

The need in savings banking in these strenuous times is not for those whose conception of service is to stand and wait. The fates are more kindly disposed to those who take hold of their problems with vigor and determination, who suit their policies to the changing needs and evolving circumstances of their times. Sentiment always and success often are to be found on the side of those who help themselves. When the postman calls soon with the membership form for the Central

Industry Fund, a good many of us hope that he does not have to ring twice.

*An address by Mr. Lyon before the 41st annual conference of the National Association of Mutual Savings Banks, Philadelphia, Pa., May 3, 1961.

Lenehen Joins Midland Capital

J. Robert Lenehen, former head of the investment division of the Small Business Administration's regional office for New York, has been elected Secretary and general counsel of Midland Capital Corporation, Harold C. Stott, President, has announced.



J. Robert Lenehen

Mr. Lenehen resigned from the Federal Government agency on April 30, 1961, to accept the new post with Midland Capital, a small business investment company. Previously, he was associated with the management consultant firm of Jay V. Hall Associates, New York.

He also worked for American Cyanamid Company and with Jersey Standard affiliates: Esso Research & Engineering Co. and Creole Petroleum Corp. in Caracas, Venezuela.

Reaves, Hewitt In New York

Reaves, Hewitt & Co., Inc. has been formed with offices at 74 Trinity Place, New York City, to act as investment bankers, advisors, and brokers. Principals of the firm are William H. Reaves, Charles E. Hewitt and John A. Dua. John F. Ahoda is also associated with them.

N. Y. Stock Exch. Appoints Three

The New York Stock Exchange has announced three appointments in Public Relations and Market Development.

William D. Horgan was named Editor of THE EXCHANGE Magazine, succeeding Kenneth Hayes, who died on March 28. Mr. Horgan had been Manager of the Exchange's News Bureau since 1950 and, before that, was a financial writer with the Associated Press for 13 years. He had been acting as editor of the Magazine during most of last year, while Mr. Hayes was ill.

John J. Maloney succeeds Mr. Horgan as Manager of the News Bureau. He has been Assistant Manager for the past two years and previously was City Editor of the Patent Trader in Westchester County.

Marvin Krasnansky has been appointed Assistant Editor of THE EXCHANGE Magazine. He was formerly with the Wall Street Journal and, before that, with the Lancaster (Pa.) New Era and Easton (Pa.) Daily Express.

Arnold, Wilkens Incorporates

Arnold, Wilkens & Co. Incorporated has been formed with offices at 50 Broadway, New York City. Officers are Arnold Goldstein, President and Treasurer; and Ernest Wilkens, Vice-President and Secretary. Both were formerly partners in Arnold, Wilkens & Co.

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Housing and Urban Renewal And Mutual Savings Banks

By Robert C. Weaver,* Administrator, Housing and Home Finance Agency, Philadelphia, Pa.

Mr. Weaver traces the joint interest mutual savings banks share with the agency he heads in housing and urban renewal; describes new FHA rehabilitation and improvement loans; asks for cooperation in such experiments as 40-year mortgage loans; and reminds bankers of business awaiting them right now in urban redevelopment. "No one," he points out, "has a greater interest or incentive to reverse this waste of our good housing than the mutual savings banks." Deposits, he adds, decline with city decay.

In my short time in office, I have found that a Housing Administrator is expected to discuss a good deal more than housing. I have met with builders, lenders, architects, realtors, citizens groups, and nation's newspaper editors—and one of the things they all want hear about is urban renewal.

As they say in certain Philadelphia newspaper ads—"nearly everyone is talking about urban renewal."

I'm glad to find that the mutual savings banks share this concern for the future of our urban centers. They have been one of the most important forces in financing our urban growth. They will also be one of the most important forces in realizing the opportunities for investment that this growth affords and in helping to shape our urban future.

From my talks I have concluded that mutual savings banks

and I are frequently working on the same problems. We're just sitting on different sides of the desk.

Mutual savings banks are the largest single source of financing for government-backed mortgages. One out of four of these loans is held by mutual savings banks. Nearly two-thirds of their mortgage investments are in FHA and VA loans.

Within the decade they have increased their mortgage holdings three-fold—from a little more than a third to nearly two-thirds of their total assets. If recent patterns continue, they will add another \$17 billion to their net residential mortgage holdings in the next 10 years.

Furthermore, they draw their funds from the prime savings areas in the East—yet about 40% of their FHA and VA investments are in housing in other sections of the country where the demand for capital is high.

Cooperation and understanding between us, therefore, is just common sense for both of us. I am glad to say that since I assumed office I have found that such cooperation exists.

I have read with interest and satisfaction the testimony given on savings banks' behalf to the Senate Housing Subcommittee by



Hon. R. C. Weaver

Robert Morgan on President Kennedy's new housing and urban proposals. The strong support the mutual savings banks' association has expressed for major parts of the new program and its understanding of the objectives of our proposals is most reassuring. Where the banks questioned or criticized, they have done so constructively, and we are glad to have their views.

I think I should say a word about how these recommendations were conceived. When a new Administration brings into the government, as this one has done, a full complement of new ideas, fresh thinking, and new leadership, the expectation seems to be that everything we have had before is going to be chucked out the window.

That is not the way this Administration operates. In housing and urban matters we have useful and well established programs. We have examined these to see how they can be strengthened and made more useful. I am glad that in urban renewal savings banks agree with us that we need an assured program over a period of years to permit sound, forward-looking urban planning on a continuing, rather than a start-and-stop, basis.

Housing and Urban Gaps

But we have also examined the housing and urban gaps in our programs. We have tried to come up with fresh approaches to fill some of the major ones. These have included the lack of financing to reclaim and improve the vast amount of existing housing that is deteriorating into slums; the untended needs of moderate income families served neither by private nor public housing; new methods of land reserve controls to assure orderly urban growth without exorbitant land speculation; and experimentation in new ideas and methods in both the private and public fields.

Savings banks find merit in most of these proposals. On some—such as the 40-year mortgage to help meet some of the moderate income need—bankers have serious doubts. In this provision we are proposing a broader use, on an experimental basis, of the kind of 40-year mortgage that has been in effect for urban renewal relocates over the past five years.

We feel that a long-term mortgage on a decent home is better than a long-term rent on a substandard one. And though the money equity accumulates at a very slow rate, the equity in living standards for these families will be immeasurably greater from the very first year. If this program is approved, we will try to make it work, and we think it can work. But we can't be sure. This is why we are proposing to try this out on a two-year experimental basis.

So while critics have their fingers crossed, I hope they will also keep their minds open.

Before I discuss the urban challenge before us, I want to say a word about the President's recommendation for the creation of a Department of Urban Affairs and Housing, which mutual savings banks supported in their testimony.

Housing Agency Held Outmoded

The record of the Housing and Home Finance Agency, I think, has been a proud one. But its assorted program instruments were conceived one by one during the depression thirties. They were finally linked together under emergency powers during World War II. Except for periodic overhauls and some additions, no fundamental change has been made in its structure. Yet over that decade and a half we have experienced phenomenal urbanization and metropolitan growth, and the emergence of some of our most complex urban and housing problems.

We can't fight these urban battles with pre-World War II weapons. The Agency's operations today involve some \$50 billion—most of it private investment with only a small fraction in tax money. They bear directly on the lives and future of 70% of our population. We need an efficient, consolidated structure that will place these vital, expanding programs in a Department under the direct surveillance of the President if we are to make yesterday's program effectively serve today's needs and if we are to assure their coordinated use for the maximum public benefit.

The urban challenge that faces us is a critical one. Urban change and growth continue at a rapid pace. We will have change either in spite of what we do—or because of what we do. We will either direct it—or it will direct us. If we fail to control it, our cities will become the Babylons of the modern era. If we succeed in shaping our urban future, our cities will become the sinews of national strength and greatness.

We can get a better perspective on our urban areas, I think, if we look at them from the viewpoint of the people who live in them. Our cities have two kinds of areas. One is the kind of area where people want to live, and work, and shop. The other is the kind of area where people have to live, and work, and shop, whether they want to or not. The problem is simply how to transform these "have to" areas into "want to" areas.

In formulating the new housing proposals this year with the President and his advisors, one thing was clearly evident. We have developed highly effective means for financing the building of new homes, and we are developing increasingly effective means for clearing out large areas of slums and worn-out structures.

But between the sound of the carpenter's hammer miles out in the suburbs where new homes are going up and the rumble of the bulldozer in the debris-strewn core of our downtown slums, lie vast areas of one of our greatest resources—the bulk of our homes and neighborhoods, built anywhere from a century ago to the past 20 years. But as yet we have developed no really effective means for financing the preservation and the restoration of these homes and neighborhoods so that they will not slip from "want to" areas into "have to" areas, as many of them are doing.

America has been a wasteful nation—let's face it. But we can't afford to go on building and rebuilding cities if we don't take care of the ones we've got.

New Rehabilitation Loans

For that reason President Kennedy has proposed a new program, under the FHA, for insuring loans for major rehabilitation and improvement of our existing and older housing. The proposal recommends that such loans range upward as high as \$10,000, for as long as 25 years, and that the security requirements be left flexible. This would permit loans based not only on the mortgaged real estate, but also on other security, and, in special cases, even on personal notes.

Mutual banks have expressed their strong support for such a program, although they have questioned whether the proposed limits and the degree of flexibility are not too extreme. These are proper questions. This is our thinking.

Gives Agency's Thinking

We are entering here a new field in which the financing and property requirements embrace a wide range of needs and situations, varying between properties, localities, and states. We believe that, at the outset at least, there should be broad flexibility and a

wide range of properties to which such underwriting could be applied.

Only in this way do we feel that the variety of experience can be developed necessary to refine and establish the kind of going program that we need—a program that can be generally useful to the great body of existing housing, rather than a program that will operate only for a limited, special segment.

Whatever program of this type the Congress may approve, we will administer it judiciously and we will welcome counsel, profit from experience, and invite suggestions as we seek to make it work.

This recognition of the need for a more effective source of financing for the modernization and improvement of existing housing is not new to some. In Philadelphia and in Boston, for example, mutual savings banks are participating in rehabilitation financing pools.

I hope that the program that comes out of Congress in this field will not only support these endeavors, but will encourage mutual banks generally to enter this field on a really major scale.

This can be an important source of lending in the years ahead. But to the mutual savings banks it is more than a matter of good business. It may be a matter of survival for many of their institutions.

Urban Decay Dries Up Savings Deposits

Mutual savings banks operate in the older Eastern states, where widespread deterioration is more serious, in the older, in-town areas of their communities. They know what has been happening there. They know, as the Census figures this year show, that the better income families are moving out and the lower income people are moving in. And this means that the source-spring of their deposits, and therefore of their survival, will steadily dry up if this trend is permitted to go on.

No one has a greater interest or incentive to reverse this waste of our good housing than the mutual savings banks. And I hope that the Congress will give us the kind of financing aids that will enable the banks to do just that.

But we still have areas that are beyond redemption through normal market processes, particularly in the downtown. We have proposed a \$2½ billion addition to the urban renewal grant fund, which we estimate will permit cities to plan and program the renewal of these uneconomic areas over a period of at least four years.

We have proposed changes that will make feasible the retention and rehabilitation of more of the properties in these areas, rather than relying solely on the bulldozer. We feel that such an approach is essential to make better use of the funds spent on these projects, and also as one means of providing a larger supply of moderate cost housing in these renewal project areas.

But the funds proposed here are for the purpose of acquiring and tearing down what is not worth saving. This is only half the job. The ultimate success of renewal depends on what we build new in the place of the old.

It is here that we need a real upsurge of interest and initiative from private investors. And I am glad to find that within the past year such interest has begun to develop, and that some of the mutual savings banks have been among the leaders. Until less than a year ago private investors had been virtually uninterested in holding mortgages on urban renewal housing in their own portfolio. But in recent months we have been seeing a growing interest in these investments from mutual savings banks, from sav-

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ings and loan institutions, and even from pension funds.

The Federal Housing Administration, as many know, is prepared to underwrite mortgages in these areas under the terms of Section 220. These terms are especially tailored to the conditions and the security of renewal housing. We understand the special hazards involved in such financing, particularly in the early period when the renewal area is being rebuilt and stabilized. FHA will cooperate fully with the lender in making these projects work. We are not interested in defaults under this program—we are interested only in under takings that are successful for the investor and for the community.

Business Awaiting Bankers

Banks do not have to wait for any new legislation to get in on this urban redevelopment business. There is plenty of business waiting right now. We now have projects in final planning or under way in some 300 localities which will require in excess of \$6 billion for their redevelopment over the next few years. Many can put themselves in touch with this billion-dollar business by a phone call to their local redevelopment agency. I make no charge for this profitable tip.

We have done great things under our private enterprise system in this country. We have done many things amazingly well. And we have also done other things poorly—or not at all. We cannot be content with partial success for America or Americans. We must achieve total success for all our people.

It is toward that goal that we have developed our housing and urban recommendations this year. It is in that spirit that we will administer our responsibilities, whatever they may be. But it will mean trying new things, adapting old tools or developing new tools to fit old and new problems.

It is in that spirit that I hope bankers will continue to work with us. We need their experience, their counsel, and their help.

*An address by Mr. Weaver before the annual conference of the National Association of Mutual Savings Banks, Philadelphia, Pa., May 1, 1961.

All American Inv. Formed

Roberto Luna is conducting a securities business from offices at 538 East 84th Street, New York City, under the firm name of All American Investors.

Fund Accumulation Plans

MERIDEN, Conn.—Fund Accumulation Plans, Inc. is engaging in a securities business from offices at 240 East Main Street. Officers are James P. O'Brien, President; Thomas J. Nelson, William R. Keever, and William M. Hefferman, Vice-Presidents; and Denis T. O'Brien, 3rd, Secretary and Treasurer.

Hopkins, Calamari Formed

Hopkins, Calamari & Co., Inc. has been formed with offices at 1751 Van Buren Street, Bronx, N. Y. (c/o August Calamari), to engage in a securities business. Officers are John Calamari, President, and James Hopkins, Secretary-Treasurer.

Named Director

Irving E. Hertz, a general partner of Lieberbaum & Co., 50 Broadway, New York, members of the New York Stock Exchange, has been elected to the Board of Directors of Process Lithographers, Inc., of New York.

Advance Synd. Associates

Advance Syndication Associates has been formed with offices at 60 East 42nd Street, New York City to engage in a securities business. Partners are Louis Cooper and Jerry Bregstein.

Sperry Rand Gains Altitude

By Dr. Ira U. Cobleigh, *Enterprise Economist*

Some observations on a well known electronic and business machine company whose earnings are entering a new orbit.

The major merger of Sperry Corporation (famed originally for its gyroscopes) and Remington Rand, Inc., in mid-1955, was heralded as a marriage offering great promise for future happiness. Sperry had been for years a distinguished supplier of military electronics and provided a splendid technological background for building sophisticated electronic computers. Remington Rand, Inc. had long been a fine manufacturer of office equipment with a very broad and efficient sales organization.

The merger looked like a "natural." Yet for more than five years the company suffered from severe corporate indigestion. The vaunted advantages of the merger got lost on the way to the earnings statements. The stock sold at 29½ in 1955, and it took over five years to play an encore of that price. Meanwhile Sperry's competitors romped.

IBM, top ranking computer and business machine manufacturer, in the same period posted a price gain in its common stock of several hundred percent; and Control Data common, an eager newcomer, made fortunes for early bird shareholders by zooming from \$1 to over \$100. Sperry Rand, marketwise, was left at the post; while others expanded their earnings at a golden rate, Sperry Rand was treading water.

It is in the light of this disappointing past market performance that Sperry Rand must be viewed today. A number of most respected market analysts now feel, however, that SY (N. Y. S. E. stock symbol for Sperry) is getting ready to catch up with the field. Management has been revitalized under the leadership of Mr. Dause L. Bibby, President (a former Vice-President of IBM) and operating efficiency at the divisional level has shown a significant improvement.

The Panorama

Sperry Rand is a giant company grossing well over a billion dollars annually, with more than 50% of this in defense business. Sperry supplies whole systems for guided missiles, automatic flight control and anti-aircraft weapons. With continued international pressure and rising Federal budgets for defense, this military business looks pretty solid for years to come.

Sperry Rand is now operated under six major divisions. Of these the most exciting and the one with the most dramatic profit potential is the Univac Division. The future growth of the electronic data-processing business is indeed fabulous; yet despite an investment in the order of \$300 million in this field, and a present sales volume of above \$100 million a year, this division has operated, until now, at a loss; which importantly accounts for the so-so earnings of Sperry Rand in recent years. Now, however, it is believed that all the research and refinement of product, and all the sales effort expended can shortly be translated into substantial and rising net earnings. A whole team of former IBM executives is now running the Univac show.

Univac has some interesting models. There's the Solid State Computer, an all transistorized, medium sized unit that rents, depending on the auxiliary equipment it totes, at from \$6,950 to \$12,600 a month; or the whole system is sold for around \$400,000. Then there's the big Univac III that sells at between \$700,000 and \$1,600,000, or rents up to \$35,000

a month; and the giant Univac 1107 computer with a memory unit that will bring, on sales, as much as \$2.7 million.

Total revenue from Univac is expected to expand rapidly (20% or more annually) and make, in due course, a major contribution to corporate net earnings.

Office Machines and Supplies Division includes a broad line of adding, calculating, accounting machines, plus safes, cabinets, etc. This division delivers annual sales of above \$225 million.

The other divisions turn out variously hydraulic systems and farm equipment (accounting for roughly 10% of gross); electric shavers (three models for men and one for women) and portable typewriters. And the International Division handles the company's foreign business, including most of the items in the product line. About 20% of total sales now come from abroad.

The foregoing is by no means a complete catalogue of products but was presented to outline the breadth and magnitude of the operations at Sperry Rand.

The growth of sales at Sperry Rand has been at a quite satisfactory rate with total sales rising from \$864 million in fiscal 1958 (year ends March 31) to \$1,173,000,000 for 1960, and slightly less for 1961. The problem here has been the quite disappointing conversion from gross into net. For example—in 1956 when the company had sales of only \$710 million, the per share net was \$1.80 and on \$990 million in 1959, only 96 cents. Cash flow, however, has looked a little better amounting in 1960 to \$72.1 million or over \$2.54 per share—an all-time high.

This cash flow becomes more meaningful to future growth by plowback in view of the company's new dividend policy. Instead of paying cash dividends (which were 80 cents a share last year) the policy is to pay divi-

dends in stock. A dividend of 2% declared in late January inaugurated this program. This arrangement conserves corporate cash resources and is attractive to larger investors whose major motive in stock purchase is the building of capital gains.

Broad Trading Market

Capitalization consists of \$214.8 million in long-term debt, \$4.4 million in preferred and minority interest, and 28,284,691 common shares. The issue has for years enjoyed a broad and active trading market and has, for some time, ranked well up among the ten most popular stocks for purchase on the Monthly Investment Plan. The common sells currently around 32½, only a couple of points below its all-time high; and there's a lively issue of warrants (2,200,000) listed on the American Stock Exchange. These are an interesting and lower price speculative entry into the Sperry Rand picture. They permit the holder to buy one share of SY at \$25 through Sept. 16, 1963, and at \$28 from then through Sept. 15, 1967. The warrants now sell at around \$18. This is actually about \$10 more than the warrant is immediately worth; but people seem always willing to pay a juicy premium for a reasonably long-term call on a stock with an attractive future.

Sperry Rand is the kind of stock that, you would think, would be most popular in the current market arena. Data-processing electronics, and missilery rank as the most romantic investment areas of the day, and SY is big and growing in all three. If this stock were only a new issue, it would be roaringly oversubscribed and no doubt sell at 50. As it is, SY is tagged with a rather unimpressive record of past earnings. The new dynamism in the company suggests that SY may now be in for revised market appraisal. Earnings for 1962 have been projected at around \$1.40 a share. On this basis the stock sells at a 23 times P/E ratio, certainly a modest enough multiple compared with such as Texas Instruments or Polaroid. So two things may happen. SY may continue to lag, or it may

dignify rising earning power by a price representing a higher price/earnings multiple. Defensively it looks better than many of its industrial brethren.

Monett, Joins Saunders, Stiver

CLEVELAND, O.—Lee C. Monett

has joined the firm of Saunders, Stiver & Co., One Terminal Tower, as Treasurer.

Mr. Monett was formerly associated with the National Association of Securities Dealers, Inc. for ten years. His last position was Secretary of District No. 9 of the N.A.S.D., comprising the states of Ohio and Kentucky.

Realty Collateral Corp.

Realty Collateral Corp. is conducting a securities business from offices at 444 Madison Avenue, New York City.

Form Franklin Plan

JAMAICA, N. Y.—Franklin Plan, Inc. been formed with offices at 80-23 164th Street to engage in a securities business.

Irwin Karl Opens

FOREST HILLS, N. Y.—Irwin S. Karl is conducting a securities business from offices at 96-03 Metropolitan Avenue.

Forms Ridenour & Assocs.

CHICAGO, Ill.—Clarence V. Ridenour is engaging in a securities business from offices at 4616 West 20th Street.

Stanley Barnett Opens

PORT WASHINGTON, N. Y.—Stanley Barnett is conducting a securities business from offices at 67 Soundview Drive.

This announcement is neither an offer to sell, nor a solicitation of offers to buy, any of these securities. The offering is made only by the Prospectus.

May 9, 1961

545,000 Common Shares

The Welch Scientific Company

(Par Value \$1 Per Share)

Price \$28 Per Share

Copies of the Prospectus may be obtained in any State in which this announcement is circulated from only such of the underwriters as may legally offer these securities in compliance with the securities laws of such State.

Hornblower & Weeks

Blyth & Co., Inc. Eastman Dillon, Union Securities & Co. Glore, Forgan & Co.

Goldman, Sachs & Co. Harriman Ripley & Co. Kidder, Peabody & Co.

Lehman Brothers Merrill Lynch, Pierce, Fenner & Smith

Paine, Webber, Jackson & Curtis Smith, Barney & Co.

Stone & Webster Securities Corporation White, Weld & Co. Dean Witter & Co.

The New Arrangements Of Supporting Exchanges

By Paul Einzig

The two latest methods of supporting currencies under sweeping speculative attacks are evaluated by Dr. Einzig. One method involves increased diversification of foreign exchange holdings by central banks and the other has the IMF making currencies in short supply available which gaining countries place at its disposal for use by losing countries. In commending these new arrangements for making it easier to defend a currency against unwarranted attacks, Dr. Einzig expresses his fears that it may be misused to protect in situations involving a natural weakness stemming from fundamental disequilibrium.

LONDON, England—During the course of the present year two important new devices have been adopted for the purpose of mutual support to exchanges under speculative attack. The one is the diversification of facilities granted by the International Monetary Fund, and the other is the decision of a number of Central Banks to acquire and hold each other's currencies to a larger extent than hitherto.

There can be no two opinions about the wisdom of the decision of the International Monetary Fund to pay out a wide variety of currencies to governments drawing on its facilities. Until about two years ago such facilities were granted almost exclusively in dollars, and more recently they were granted at times in sterling and to a less extent in one or two other currencies, but dollars continued to be the main currency. Such an arrangement was liable to result in unilateral pressure on the dollar and to a less extent on sterling. That no efforts were made until recently either by the United States or by Britain to change the system is due to the overwhelming importance attached to considerations of prestige. Both countries took a childish pride in seeing their national currency in the role of international currency, and for the sake of the satisfaction derived from it, they were prepared to overlook the material disadvantages arising from the one-sided use of their currency as a means for I. M. F. facilities.

I. M. F.'s New Policy

Fortunately from the point of view of the real interests of the United States and Britain, and also from that of international monetary stability, it is now beginning to be realized that the one-sided use of any currency for international purposes is liable

to become a source of weakness rather than strength. For this reason, the American and British authorities gladly renounced the dubious honor of a one-sided use of dollars or sterling respectively by the I. M. F. in granting drawing facilities to member countries.

In a recent transaction, Australia was granted facilities in D. marks, Canadian dollars, French francs, Dutch guilders and Italian lire as well as in U. S. dollars and in sterling. In fact the largest proportion was in D. marks. This means that the use of these facilities by Australia will not result in one-sided pressure on sterling or the dollar.

The innovation is still too recent to enable us to form a definite opinion of all its implications, but it is already obvious that the change is one for the better. The aim is that, whenever there are major movements of short-term funds, whether through the imbalance of international trade, or through the shifting of hot money, or through interest arbitrage, the gaining countries should place their gains at the temporary disposal of the losing countries through the intermediary of the I. M. F. It will take a long time, however, before the system has made considerable progress in that direction, for it is not always possible for the I. M. F. to possess the currencies needed for the purpose.

New Central Bank Cooperation

The second device, that of the arrangement by which Central Banks of gaining countries are willing to acquire and hold currencies of losing countries, should go a long way towards supplementing the efforts made by the I. M. F. A beginning is understood to have been made also with this arrangement, and a number of Central Banks no longer confine their foreign exchange reserves

to dollars, sterling and one or two others particularly had currencies. No information is available about the length to which they are prepared to go in the direction of the diversification of their foreign exchange holdings, nor is it known whether they hold various currencies under guarantees against losses arising from devaluations. But it is safe to assume that no Central Bank is prepared to "underwrite" a foreign currency against depreciation to an unlimited extent. Even so, together with the I.M.F. arrangement, this new practice should go a long way towards the mitigation of the effects of the sweeping attacks to which various currencies are exposed.

It remains to be seen whether the extent to which such attacks will be cushioned by the new arrangement will be sufficient to prevent the recurrence of the experience of sterling in 1957 or that of the dollar in more recent times. The additional support certainly inspires confidence and this alone may mitigate the weight of one-sided pressure by speculative operations in the widest sense of the term. Even if under the double arrangement the whole of the amount lost by one country is not likely to be returned to it by the gaining country, the net loss of gold and foreign exchanges is likely to be greatly reduced.

Danger of Misuse

The danger is that there will be a strong temptation to use the new system for bolstering up positions of fundamental disequilibrium which are bound to be untenable in the long run. It is seldom possible to ascertain from an early stage whether an attack on a currency is purely speculative or whether it is justified by inherently unsound conditions in the country concerned. The new arrangement will make it easier to defend a currency not only against an unwarranted attack but, for some time, also against a natural weakness resulting from disequilibrium. Sooner or later one country or another is bound to misuse the assistance for inflating for a time with impunity, and the resulting eventual difficulties may tend to discredit the system as a whole. It is, therefore, important that neither those who receive the assistance nor those who grant it should agree to it without careful consideration of the circumstances. It should not be misused for enabling the recipient government to defer much-needed measures for increasing the inherent strength of its currency.

PUBLIC UTILITY SECURITIES BY OWEN ELY

American Water Works Company, Inc.

American Water Works is 60% controlled by Northeastern Water Company, both companies being under the top management of the Ware family. John Ware, after 56 years in the utility business, late in 1960 announced his retirement as Chairman of the Board of American Water Works, but his grandson, John H. Ware 3rd, took over as Chairman.

American Water Works is a holding company with system assets of \$340 million. It has four sub-holding companies and 64 operating units located largely in Pennsylvania, New England and New Jersey, with others in the Middle West. Water is delivered to customers in some 340 communities in 17 states, with a population of some 3,400,000. The most important areas served are the following: East St. Louis and Peoria, Ill.; Pittsburgh, Pa.; Chattanooga, Tenn.; Alexandria and adjacent Fairfax and Arlington Counties, Va.; and various towns in Morris, Essex, Union, Passaic and the Monmouth County coastal area of New Jersey. Residential water sales accounted for 52% of 1960 consolidated revenues, commercial 19%, industrial 14%, and miscellaneous 15%.

From time to time the company has sold some of its subsidiaries to municipalities where it could obtain a good profit over book value, the proceeds being used for construction requirements of other subsidiaries. This has reduced the amount of system financing required for development work. However, where offers made are inadequate, the company resists the acquisition. Thus in 1960 Ramey Water Company was sold for \$484,000, yielding a profit of nearly \$50,000 net of Federal income taxes. However, municipal efforts to acquire Lexington Water Company in Kentucky and Ashtabula Water Works in Ohio were opposed. In Lexington the company advised the city that it would be an unwilling seller and that it would conduct a vigorous campaign to gain citizen support. The City abandoned acquisition when it realized the extent of the undertaking and the public opposition. In Ashtabula, citizens voted almost 4-to-1 against municipal ownership, being convinced that city ownership would mean higher rates, higher taxes and politics in the operation of the water system. Efforts by the City of Peoria, Ill., to acquire Peoria Water Works Company through condemnation of its capital stock is considered to be of doubtful validity and is also being resisted.

However, substantial book profits were made in 1957 and 1959 by sale of properties (see table of earnings below). It has been estimated in the past that if the company were to sell all of its properties on the same basis as these earlier sales, the eventual result might yield book profits of a very substantial character as compared to the price of the stock.

American Water Works has been satisfied with a moderate return on net property which has ranged between 4 and 5% in the past decade. However, in recent years it has been seeking rate increases and those effective last year amounted to \$2.9 million of the \$3.3 million rise in revenues in that year; the carry-over of 1959 increases accounted for \$1.6 million and the effective portion of eight increases obtained in 1960 added \$1.3 million.

Thus there will be a carry-over of about \$550,000 in 1961, equivalent

to about 8 cents a share after taxes. In addition, three rate adjustments obtained during 1959 and 1960 are involved in court proceedings, the outcome of which could result in the adjustment of the original increases. Also early in 1961 three subsidiaries obtained increases approximating \$750,000 for a full year, equal to perhaps an increase of 9 cents a share in 1961. Applications are still pending which, if realized in full, would yield \$638,000 before taxes. Thus, unless expenses increase too rapidly, share earnings in 1961 should compare favorably with 1960. It is also hoped that weather conditions will be more normal in 1961 and that the industrial load will pick up.

Should the company ever be successful in obtaining an average 6% return on original cost—and some of these states in which it operates profess to use "fair value" which is higher than original cost—share earnings would be sharply increased.

While water service is not a "rapid growth" industry, nevertheless consumption per customer grows about twice as fast as population. Thus, according to Chamber of Commerce estimates, it should increase more than 25% during the coming decade (it has increased four-fold since 1910). The average amount spent per customer for water service in the American Water Works System increased from \$38 in 1951 to \$63 in 1960, but some part of the increase reflected rate increases.

Share earnings in the past decade have been as follows:

Year	From Operations	From Sales of Subsidiaries
1960--	\$1.51	\$0.02
1959--	1.46	.33
1958--	1.01	---
1957--	1.02	1.82
1956--	1.00	---
1955--	.97	---
1954--	1.05	---
1953--	1.14	---
1952--	.80	---
1951--	.60	.17

Common dividends were initiated in 1948 and payout has averaged about 51% of earnings in the past five years, although currently it is 66%. American Water Works has been selling recently around 25 (approximate 1961 range was 27-19, and 1960 24-15). Paying \$1, the stock yields 4%. Based on the 1960 earnings of \$1.51, the price-earnings ratio is 16.6, a modest multiple by today's yardsticks.

A. C. Allyn & Co. Promote Two

A. C. Allyn and Company Incorporated, members of the New York Stock Exchange, announced that John J. Doherty and Andrew R. Steven, Jr. have been appointed joint managers of the Trading Department in the firm's New York office, 45 Wall Street.

Nebraska Bankers To Hold Field Day

OMAHA, Neb.—The Nebraska Investment Bankers' Association will hold their Annual Field Day on Sept. 20-21, 1961.

T. R. West Opens

MURRAY, Utah—Terry R. West has opened offices at 5235 South State Street to engage in a securities business.

This announcement is neither an offer to sell, nor a solicitation of an offer to buy any of these securities. The offering is made only by Offering Circular.

NEW ISSUE

May 10, 1961.

54,000 Shares

Electro-Mechanical Corporation

Common Stock

(Par Value \$.01 per share)

PRICE: \$2.30 Per Share

Copies of the Offering Circular may be obtained from the undersigned and from such dealers as may legally offer these securities in this state.

Manufacturers Securities Corp.

511 Fifth Avenue

OXford 7-5270

New York 17, New York

AS WE SEE IT

Continued from page 1

ally have throughout the world or how much they presently may be able to cultivate. We are, however, quite sure that the basic ideas they are said to be advocating are not without serious danger to the so-called backward countries — and in point of fact to the world in general. If they presently succeed in persuading capital hungry countries to limit severely the amount of capital they will permit to come into their countries, from countries with private capital to export—or what is the same thing, create and maintain conditions which will seriously impede the inflow of private capital, while at the same time they welcome help from such communist countries as Russia, the damage may be very great.

Capital Alternatives?

As is well known, just some such view and some such policy is precisely what the Communists wish to develop throughout the world—hardly a neutral attitude. It is, of course, extremely difficult if not all but impossible to explain to primitive peoples, or peoples living in conditions very nearly primitive, that if they are to improve their lot to the point where they enjoy the good things of life equal to the average round the world, they must somehow or other obtain capital in relative abundance. They can get it from the so-called imperialist countries on reasonable terms if they make the effort. They can get it in limited amounts from the communist countries—the amount must be limited since there is no great abundance available in those countries—but they may be certain that such contributions from communists will be accompanied by real danger to their freedom.

If they prefer they could deny themselves drastically—or work the harder or more productively—and accumulate their own capital. This process is normally slow and certainly accompanied by real hardships—and, of

course, raises the problem of acquiring technical know-how. Now, whether these backward people are aware of it or not, or whether they can be convinced of it or not, these are the only roads which lead to major improvements in their economic position. If these neutralists wish to limit the inflow of capital from countries where it is available, and even if they would have the backward peoples accept all the help they can get from the communists, they should take the pains to explain what the alternatives are, and what is necessary if these backward peoples are to make real economic progress within reasonable periods of time.

As everyone knows, a substantial part of the assistance that this country, anyhow, has rendered to these backward people has had as its prime objective merely the relief of suffering. That is to say, it is but slightly related to any permanent change in the economic status of the recipient. Naturally, there are conditions in which humanitarian considerations support just this kind of assistance. It may or may not win us many friends. We do not pretend to know a great deal about the experience of recent years in this regard, though outward appearances lead to doubts. What we do know is that the financing of economic development of these countries—the only route to economic independence and permanent economic gains—is a matter that is not likely to occur within the life span of the present generation without generous amounts of private foreign capital.

Real Problems Created

All this, obviously, creates some very real problems for all those in this country and elsewhere with interests in the so-called undeveloped countries, or who contemplate such export of their capital. Most such capitalists, or so we are convinced, have long ago abandoned the thought—if they ever had it

—of getting rich quick at the expense of peoples in backward lands—or of making any sort of gains based upon the old type of exploitation. What they now must decide is whether or not conditions are such, and will remain such, that they have a reasonable opportunity for a reasonable profit—as compared with the normally more secure investment within their own land. And this, we are certain, is no easy task. But American business men—and we are certain business men in other countries, too—are a hardy lot and an ingenious lot. They are accustomed to weighing difficulties and in finding ways and means of making a profit where profitable operations are not easy.

If these neutralists are really interested in the welfare of the peoples they appear to want to help, they would encourage their backward friends to create conditions in which foreign capital can flourish reasonably. Merely to try to prevent them from accepting such capital in more than very limited amounts—even if they do not urge acceptance of aid from the Kremlin—is not a policy which really helps anybody but the communists who like to fish in troubled waters. There are those among the neutralists who should, and probably do understand the true inwardness of these things. They should make their knowledge and their understanding felt.

C. E. Irvine Forms Co.

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Clarence E. Irvine is conducting a securities business from offices at 129 West Boylston under the firm name of Irvine Investments. Mr. Irvine was formerly with Blue Ridge Associates, Inc.

FROM WASHINGTON
...Ahead of the News

BY CARLISLE BARGERON

Before his Administration is over, Secretary of Agriculture Freeman is likely to make Henry A. Wallace look like a pale conservative. The program he submitted to Congress has caused a lot of grumbling, but in view of the hold which President Kennedy has over Congress it is likely to go through. It is as regimental as anything Wallace ever proposed.

Back in Wallace's days the most influential farm organization in the country was the American Farm Bureau Federation. Its Washington lobbyist, Eugene O'Neal, was actually the Secretary of Agriculture. The farm organization called the turns and the Agriculture Department responded. The federation finally broke with the New Deal and, although the largest farm organization in the country with more than 1,000,000 members, it has lost all of its influence.

Coming to the front is the National Farmers Union with only about 300,000 members. It is the most radical of the farm associations. In fact, Senator Styles Bridges in 1950 made a speech on the Senate floor saying that some of its leaders were communists. It owns the largest grain exchange in the Middle West which is highly successful. The organization uses these profits to promote an active "educational" program. Middle Western Senators and Congressmen, Democrats and Republicans alike, are so afraid of the organization and its aggressive tactics that they play ball with it. It is the organization that made the campaign against Ezra T. Benson. They made Ezra's name almost an ugly word throughout the farm belt.

Freeman has embraced the Farmers' Union wholehog and loaded up his department with the union's fair-haired boys. Some of them follow:

Willard Cochran, though never technically a member, has long been considered the NFU's intellectual leader and is now Freeman's key farm braintruster as Economics Agricultural Director.

John A. Baker, a former legislative director of the NFU, has been appointed to a policy making post as Director of Credit Services.

Robert G. Lewis, formerly the Farmers' Union news letter writer, is now deputy administrator of price supports in the Commodity Stabilization Services.

Arthur T. Thompson, director of grain division for the CSS.

Emery S. Jacobs is deputy administrator of production adjustment for the CSS.

And that isn't all. Of the 32 top personnel who have been connected with farm groups, a spokesman for the Agriculture Department says that 14 have been linked to the Farmers' Union; seven with the National Grange which also supports the Administration program and only 11 with the largest and the most conservative farm organization. Moreover, it is estimated that scores of staffers at the lower levels come from the NFU.

Freeman's penchant for planting Farmers' Union members in his department will undoubtedly be carried over in his selection of members of the proposed Agricultural Commodity Committees which will establish price supports under the Administration's farm program. Staffed with Farmers' Union members and their philosophical supporters, these committees are expected to favor high price supports, not only for high flown ideological purposes, but for the more prosaic reason that the Farmers' Union has a vested interest in the high price support program which helped create the Federal food surpluses.

Last year, for example, the Grain Terminal Association, a Farmers' Union cooperative in St. Paul, Minn., received the eighth largest sum from the government for storing and handling surplus commodities—\$4,089,595. The Farmers Union Jobbing Association in Kansas City, Mo., cashed government checks totaling \$2,469,409.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

NEW ISSUE

MAY 9, 1961

190,000 SHARES

EMMER GLASS

CORPORATION

Class A

Common Stock

(Par Value 10¢)

PRICE

\$4.00

PER SHARE

Copies of the Prospectus may be obtained in any state only from such dealers, including the undersigned, as may legally offer these Securities under the securities laws of such State.

Clayton Securities Corporation

Goodbody & Co.

Hill, Darlington & Grimm

J. R. Williston & Beane

Draper, Sears & Co.

The Johnson, Lane, Space Corporation

Reich & Company

A. T. Brod & Co.

R. E. Bernard & Co.

Birr & Co., Inc.

NSTA



NOTES

SAN FRANCISCO SECURITY TRADERS ASSOCIATION

The San Francisco Security Traders Association will hold their Annual Spring Outing at the Sacramento Inn, Sacramento, Calif., June 9 through June 11. An assessment of \$35 has been made to each member of the association for expenses; however, incidental expenses are to be borne by the individual members. Guest fee is \$35 also.

J. S. Strauss & Co. will be host to a cocktail party on Saturday. Reservations, with check, should be sent to James Vicknair, of the Crocker-Anglo National Bank, San Francisco.

THE MARKET . . . AND YOU

BY WALLACE STREETE

Industrial stocks continued to toy with their all-time peak this week and while they couldn't muster the strength to reach 700 for the first time in history, neither on the other hand would this section back away appreciably. For rails and utilities it was a case of little decisive action.

The industrial average, which had reached its all-time high in mid-April at 696 and then had dropped to 672 at the low, had worked back to the 688-692 area where it held for five trading sessions in a row.

To the technicians the ability of this section of the market to correct the steep advance from last October's low of 566 by sideways action rather than a full-fledged correction was encouraging and there were few doubters around who were willing to predict that a reading in the 700 area would not be seen.

When the Break-Through?

To the majority the only question was whether it would come this month or during the traditional summer rally that usually sees prices higher sometime during June, July or August than they were on Memorial Day.

For both the rails and utilities it seemed to be also a waiting game with both resting until industrials show some decisive trend while the rail followers were looking for a pronounced turn in business to change the drab fortunes of the carriers.

The word from the annual meetings of the railroads was one of hope for the later months of the year rather than any definite upswing underway at the moment. This is hardly the type of grist that will stimulate railroad stock fanciers or the general public hunting for romance items. The specter of a dividend string running well over a century being snapped was aroused at the meeting of the Pennsylvania Railroad.

Pennsy had paid a token 25-cent dividend last year despite the fact that it was the worst year in the line's 114-year history. That admittedly was to keep alive its unbroken string of having paid at least one payment every year of its history. But this year's annual meeting was told that the line had to build up its cash after losing \$13 million in the first quarter, which definitely placed the dividend in jeopardy. For all of 1960 the road reported a deficit of nearly \$8 million, its second red-ink annual report in history.

What the rail neglect leaves are some quality items available at anything but over-inflated prices such as Illinois Central which is selling at only around 11 times last year's earnings of \$3.56, plus a yield of better than 5%.

Still the "Glamors"

The buying interest still centered on the glamor issues that were stimulated by the nation's ability to put a man in space. McDonnell Aircraft, which is the prime contractor on the Mercury capsule, was able to post a new high on the news, but then profit-taking moved in and killed off the rally at least temporarily. But, like the industrial average's action, McDonnell refused to retreat too much from the peak.

Ling-Temco was in somewhat persistent demand and no stranger to the new highs lists. It participates in most of the major rocket programs, is solidly engaged in defense radar work and has numerous interests in the electronic world. Despite its rapid expansion, mergers of the past and a possible new one with Chance Vought, it has been able to keep its earnings tilted higher.

Something of a sleeper in the missile business is Ex-Cell-O Corp. It has achieved a good degree of diversification to where about a third of its business currently is in military goods, mainly jet engine components for the motor makers. Its paper milk container machines contribute about a quarter of sales, its machine tools about a fifth. The stock has lain dormant most of the year and despite a minor breakthrough on the top side recently it still hasn't carved out a range running as much as 10 points for 1961.

Interest in Tires

There was some new attention being paid to the tire stocks, in part because they haven't done anything decisive for a long while, hence are still items of good name that provide good value. Then, too, any business upturn would find them participating particularly where they have, as in Goodrich, a big business in industrial rubber goods.

Goodrich has been busy expanding in foreign areas where sales growth is far ahead of that in this country. It is also the most diversified of the major rubber companies. It is a major producer of supplies for plastics, and also participates in the aircraft-rocket-missile field via propulsion systems, wheels and brakes and other aircraft supplies. Jointly with Gulf Oil it is a prominent producer of synthetic rubber, reputedly the nation's second largest.

The good value aspect of Goodrich could be its indicated yield nudging 4%, which is well above the average, and also the fact that it has prospered sufficiently in recent years to show 12 dividend increases in the last 18 years.

The meat packing stocks have had their followers who, however, have not yet been overly happy with their chosen investments. Wilson & Co., for instance, has hovered in a range of not quite eight points for the more than three months of this year. But indications are that despite the strength of the business recovery, Wilson will stand out prominently in its earnings reports for this year largely because its operations were crippled for 16 weeks by strikes last year.

Actually, it took even longer once the strikes were over for Wilson to reestablish its market positions. Where hog slaughtering, which has been on the downgrade, directly affects most of the meat packers, Wilson has built up an important position in the sporting goods business and in that of pre-packaged meat products, both of which lessen the cyclical effects of livestock markets on the company.

The sporting goods business in the past has tended to stabilize profits during periods when there were livestock troubles. Lately the company has been promoting its goods more aggressively and expanding its participation in this field in foreign markets. Its indicated yield at recent prices approached 4%, which makes it another above-average item for dividend return.

The lessons of diversification were also learned well by Symington Wayne which was once dependent largely on the rail equipment business but since has spread out to products for industrial markets including important equipment for gasoline service stations. Here, too, aggressive expansion in foreign markets is being pushed. Nearly a third of its volume comes from its foreign activities where the sales growth is far ahead of the domestic business. This is another item of apparent neglect since the shares

have held in a five point range this year despite the fact that its 5% yield is distinctly generous.

Leader in the Foreign Field

The same pattern of far faster growth in foreign operations is shown by Englehard Industries which, while an old name in its field, has only been publicly held for less than a year. The company's principal business is products that are made of precious metals, a specialized field catering to the newer processes used in the chemical and petroleum fields. Despite generally poor results last year for the industry generally, Englehard's sales hit a new peak, and helped offset lagging domestic business so that its profit was fairly well maintained. The yield, here, is nominal, slightly under 3%.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Businessman's BOOKSHELF

A. B. A. at Work for Your Bank—A "Tour in Print" of the American Bankers Association's Offices and Functions—American Bankers Association, 12 East 36th Street, New York 16, N. Y.

American Railroads—John F. Stover—University of Chicago Press, 5750 Ellis Avenue, Chicago 37, Ill. (cloth), \$5.

Australian Fertilizer Industry—Study—Department of Trade, Canberra, Australia (paper).

California Economy: 1947-1980—Stanford Research Institute, Menlo Park, Calif., \$10.

Challenge of Gold and the Dollar—Paul Meek, Public Information Department, Federal Reserve Bank of New York, New York 45, N. Y. (paper), on request.

Challenge to Transportation—Karl M. Ruppenthal, Editor—Graduate School of Business,

Stanford University, Stanford, Calif. (cloth), \$4.75.

Characteristics of the Population and the Labor Force of New York State—Vol. 1, New York State \$2.50; Vol. II, New York City, \$2—New York State Department of Labor, 80 Centre Street, New York 13, N. Y.

Committee for Economic Development—Annual Report 1960—Committee for Economic Development, 711 Fifth Avenue, New York 22, N. Y. (paper).

Consumer Behavior in 1961—A Summary Report—Foundation for Research on Human Behavior, 1141 East Catherine Street, Ann Arbor, Mich. (paper), \$1.

European Common Market: Problems and Opportunities in the New Frontier of American Business—Sylvan Gotshal with a forward by Marcus Nadler—Weiss, Gotshal & Manges, 60 East 42nd Street, New York 17, N. Y. (on request).

Fact Sheets on U. S. Nuclear Power Projects—Revised Edition—Bozell & Jacobs, Inc., 230 Park Avenue, New York 17, N. Y. (paper), \$1.

Facts About the 10% Passenger Tax—National Conference for Repeal of Taxes on Transportation, 1710 H Street, N. W., Washington, D. C. (paper).

Gold and the Dollar Crisis—Robert Triffin—Yale University Press, New Haven, Conn. (paper), \$1.45.

Growth and Prosperity Without Inflation—John Philip Wernette—The Ronald Press Company, 15 East 26th Street, New York 10, N. Y. (cloth), \$3.75.

How to Collect More Past Due Accounts—Pamphlet—United States Collection Association, Inc., 4407 North Ravenswood Avenue, Chicago 40, Ill. (paper), on request.

Illinois Securities Division 1960 Annual Report—Office of Charles F. Carpentier, Secretary of State, Springfield, Ill. (paper).

Inter American Development Bank—Annual Report—Inter American Development Bank, 808 17th Street, N. W., Washington 25, D. C.

Investment in India—Foreign Commerce Bureau, U. S. Department of Commerce—Superintendent of Documents, U. S. Govern-

ment Printing Office, Washington 25, D. C., \$1.

January, 1961, Economic Report of the President and the Economic Situation and Outlook—Hearings before the Joint Economic Committee of the Congress of the United States—U. S. Government Printing Office, Washington 25, District of Columbia.

Life Insurance Buying, 1959—Institute of Life Insurance, 588 Madison Avenue, New York 22, N. Y. (paper).

Lumber Industry Facts 1960-61 Edition—Statistical handbook—Statistical Department, National Lumber Manufacturers Association, 1319 18th Street, N. W., Washington 6, D. C. (on request).

Magna Carta for Transportation—A Fact Book on Public Policy Problems in Transportation—Association of American Railroads, Transportation Building, Washington 6, D. C.

Management International—Containing articles on Function of Management in Industry and Commerce; Investment Policy in Industrial Enterprises—Science and the Manager; Flexible Budgets and the Analysis of Overhead Variances; Organization Charts and People; Discipline in Industry; Trends and Development of Marketing Studies, etc.—Management International, Taunusstrasse 54, Wiesbaden, Germany, \$10 per year.

Men, Money and Motivation: Executive Compensation as an Instrument of Leadership—Arch Patton—McGraw-Hill Book Company, 330 West 42nd Street, New York 36, N. Y. (cloth), \$7.50.

Nuclear Frontiers—1960—Complete Proceedings of the 1960 Annual Conference of the Atomic Industrial Forum—National Agency for International Publications, Inc., 801 Third Avenue, New York 17, N. Y., \$10.

Oklahoma Securities Commission—First Annual Report—Oklahoma Securities Commission, State Capitol, Oklahoma City, Okla.

Personal Finance—Elvin F. Donaldson and John K. Pfahl—The Ronald Press Company, 15 East 26th Street, New York 10, N. Y. (cloth), \$7.50.

President's Tax Message along with Principal Statement, Detailed Explanation, and Supporting Exhibits and Documents—U. S. Government Printing Office, Washington 25, D. C.

Principles of Financial Analysis—Robert H. Wessel—The MacMillan Company, 60 Fifth Avenue, New York 11, N. Y. (cloth), \$7.50.

Productivity and Wage Settlements—Chamber of Commerce of the United States, Washington 6, D. C. (paper), 50 cents.

Proving Your Arbitration Case—Boaz Siegel—Bureau of National Affairs, Inc., 1231 24th Street, N. W., Washington 7, D. C., \$1 (quantity prices on request).

Railroad Operations in 1960—Association of American Railroads, Transportation Building, Washington 6, D. C. (paper).

Role of Federal Reserve System in the United States Economy—Film Strip—Joint Council for Economic Education, 2 West 46th Street, New York 36, N. Y., \$7 per set (including a booklet with narration and teaching suggestions).

Steel Facts and Figures—Annual Booklet of Metal Working Data—"Steel," Penton Building, Cleveland 13, Ohio (paper), \$1.

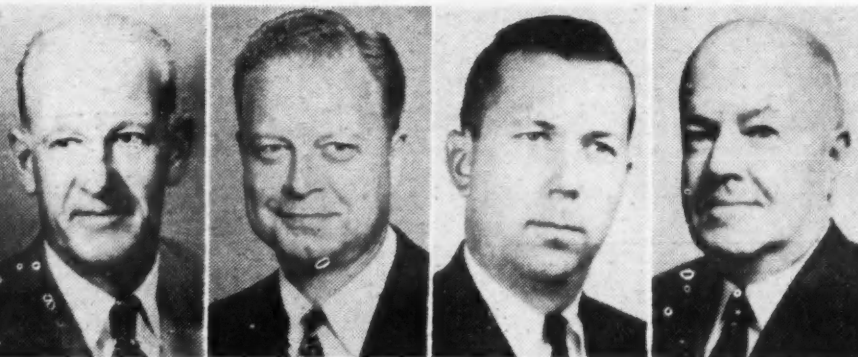
200 Largest Savings & Loan Associations in order of total savings capital—Federal Savings and Loan Insurance Corporation, Washington, D. C.

U. S. Industrial Outlook for 1961—91 Selected Industries—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., \$1.75.

N. A. S. D. District Elections

With the naming of the following, the elections of officers of the various NASD district committees have been completed:

District No. 7 (Florida, Georgia, South Carolina and a part of Tennessee)—Chairman, Clinton T. McCreedy, Paul A. Davis &



Clinton T. McCreedy Richard B. Walbert R. S. Richards, Jr. Carlisle F. Morrison

Co., Miami; Vice-Chairman, Roy F. Hunt, Jr., Vice-President, Alester G. Furman Co., Greenville, S. C.

District No. 8 (Illinois, Indiana, Iowa, Michigan, Minnesota and Wisconsin)—Chairman, Richard B. Walbert, Vice-President, Blyth & Co., Chicago; Vice-Chairmen, Robert W. Haack, partner, Robert W. Baird & Co., Milwaukee, and Harry B. Graeffe, Vice-President, First of Iowa Corp., Des Moines.

District No. 9 (Ohio and Kentucky)—Chairman, Julian J. Stevenson, Partner, W. E. Hutton & Co., Cincinnati; Vice-Chairman, Harvey L. Hawkins, Executive Vice-President, Hawkins & Co., Cleveland.

District No. 11 (Delaware, Pennsylvania, West Virginia and a part of New Jersey)—Co-Chairmen, Harold F. Carter, partner, Hornblower & Weeks, Philadelphia, and Ralph S. Richards, Jr., partner, Richards & Co., Pittsburgh.

District No. 13 (Maine, Massachusetts, New Hampshire, Rhode Island and Vermont)—Chairman, Carlisle F. Morrison, President, H. P. Wood Co., Boston.

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UNION PACIFIC RAILROAD COMPANY



(INCLUDING ITS LEASED LINES*)

SIXTY-FOURTH ANNUAL REPORT — YEAR ENDED DECEMBER 31, 1960

REPORT OF THE BOARD OF DIRECTORS ON THE YEAR'S BUSINESS

New York, N. Y., April 27, 1961

TO OUR STOCKHOLDERS:

As announced in the special letter mailed to all Stockholders of record at the beginning of this year, a major change was made in the organizational structure of the Union Pacific on January 1, 1961, by setting up three specialized Operating Divisions, each headed by a Chief Executive Officer. The objective of this move was to gain the maximum advantages from the inherent benefit accruing to the Company through the diversification of its interests and activities. The jurisdiction of the Transportation Division embraces all railroad and related activities. The Natural Resources Division is responsible for activities of the Company and its subsidiaries relating to discovery, production, processing, and marketing of oil, natural gas, and other mineral resources, including pipe line operations. The Land Division is in charge of leases, purchases, and sales of all lands not assigned to either of the other Divisions, with the primary function of promoting industrial development on the Company's lines.

Our income from transportation operations in 1960 was disappointing. It was 11 per cent less than in 1959 (which was itself an unsatisfactory year) and was in sharp contrast with the hope for an increase in volume of traffic based upon the many optimistic forecasts that had been made of a high level of general economic activity in 1960. These predictions fell far short of realization, and Union Pacific operating revenues showed a drop of \$21.6 million. This decline in gross was almost balanced by a reduction of \$19 million in operating expenses, despite further wage rate increases, a reduction in State and county taxes, and a decrease in equipment rents. However, there was an increase of \$4 million in Federal income taxes, chiefly because of a further decline in allowances, for tax purposes, in connection with amortization of defense facilities, with a corresponding decrease of \$4 million in net transportation income.

Fortunately our net income from oil and gas operations showed a heartening increase of 14 per cent, due primarily to income derived from the new Patrick Draw oil field in Wyoming. This together with a net increase in other income resulted in a modest increase in net income from all sources. Net income per share of common stock, after allowance for preferred dividends, was \$2.73 compared with \$2.71 in 1959. Dividends declared on common stock at the rate of \$1.60 per share, the same rate as in the five preceding years, represented 59 per cent of net income after preferred dividends.

The program of investment in new equipment and improvements to other transportation property was continued during 1960 with expenditures totaling \$56.3 million. Substantial expenditures were made also for oil and gas facilities in various areas, for additional industrial property along our lines, and for investment in the capital stock (70% of total issued) and 6½% first mortgage promissory notes of the Calnev Pipe Line Company, which is constructing a pipe line for refined petroleum products between Southern California and Las Vegas, Nevada. Operation of the pipe line, which is scheduled to start around the middle of 1961, promises to be a profitable venture.

Long-term debt in the hands of the public was reduced by 29 per cent during the year, with a reduction of \$1.4 million in fixed interest charges on an annual basis. This was accomplished chiefly

by the redemption of \$46 million of Oregon-Washington Railroad & Navigation Company 3% bonds which matured on October 1st, the necessary funds having been provided through proceeds from the maturity of investments in U. S. Treasury obligations which had previously been earmarked for this purpose.

Previous annual reports have outlined the difficulties of the railroad industry arising from governmental promotion and development of competing forms of transportation, and from over-taxation and over-regulation. An exhaustive transportation study under the direction of General John P. Doyle, pursuant to Senate Resolution 29, was completed in January, 1961. The report issued brings out a number of inequities to which the railroads are subject and makes some recommendations of a constructive character, particularly those having to do with relieving the railroads from unduly burdensome State and local taxation and imposing adequate charges for use by for-hire carriers of publicly provided transportation facilities. It is to be hoped that in due course legislation to carry out these recommendations will be enacted. It is important that railroad stockholders and employees should keep themselves informed on such legislative matters and let their representatives at Washington know of their interest in seeing that the railroads are accorded fair treatment and permitted to compete with other forms of transportation on an equal basis.

It is gratifying to report a constructive and hopeful development in connection with the matter of burdensome "working rules" of railroad employees. On November 1, 1960, following agreement between the railroads and employee organizations concerned, former President Eisenhower appointed a 15-man commission to study this problem, composed of five representatives each of the railroads, the unions, and the public. The commission is to issue its report and recommendations by December 1, 1961, although the date may be extended for 90 days. The commission's recommendations will not be binding on the parties, but they should be helpful and in any event the appointment of the commission represents tangible recognition of the need for revision of the working rules at issue.

Several chemical companies have been conducting extensive exploratory core-hole drilling for trona in the Green River Basin, Wyoming, which has substantially increased the proved reserves of this mineral in lands where the Company owns mineral rights. The most promising area developed by this drilling is located approximately 17 miles northwest of Green River, where the Union Pacific has undertaken to pool its lands with those held by a chemical company under a joint arrangement for mining the trona and manufacturing soda ash.

New tests were conducted for the Company on several hundred tons of Iron Mountain titaniferous iron ore during the year in a plant at Niagara Falls, Canada. The cost of these tests was relatively small. The results demonstrated the technical feasibility of the process used for treatment of the ore to yield a high-grade iron product as well as titania slag of a grade suitable for utilization in the manufacture of pigments. However, the economic aspects of the process will require additional study before conclusions can be reached.

During 1960 and in the early part of 1961, a number of Western railroads came forward with proposals for mergers of various kinds. Since the Union Pacific is vitally concerned in any combination of Western railroads, the management is watching all such developments closely and has taken, and will continue to take, every appropriate step considered necessary to protect and to further the Company's interests, including the strategic acquisition of capital stock of other railroads when deemed advisable.

* Leased Lines are: Oregon Short Line Railroad Company, Oregon-Washington Railroad & Navigation Company, Los Angeles & Salt Lake Railroad Company, and The St. Joseph and Grand Island Railway Company.

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

Edouard Eller has been appointed a Vice-President of the **Chase Manhattan Bank, New York**. Mr. Eller will be in charge of the Paris branch effective July 1.

James J. Thackara, Vice-President, who has been in charge of the Paris branch since January, 1960, will return to the United States for a new assignment.

Mr. Eller was Executive Vice-President and Secretary of the **Belgian-American Bank and Trust Company and Belgian-American Banking Corporation** prior to accepting the Chase Manhattan appointment. With those firms since 1955, he had spent part of his time in Paris and other cities of Europe.

James W. North has been appointed a Vice-President in the trust department of the **Chase Manhattan Bank, New York**.

Mr. North joined the bank's personal trusts and estates division in 1951 and was named a Personal Trust Officer in 1956. He was appointed an Assistant Vice-President in 1960.

Others promoted were Wheeler T. Dell and Warren R. Witt to Assistant Vice-Presidents in the trust department and William S. Kraybill to Assistant Vice-President in the investments and financial planning department.

The Chase Manhattan Bank, New York, re-opened its 214 Broadway office May 8.

THE CHASE MANHATTAN BANK, NEW YORK

April 12, 1961 Dec. 31, 1960

Total resources	8,176,857,336	9,260,439,172
Deposits	6,509,503,745	8,143,349,599
Cash and due from banks	1,805,410,431	2,079,690,930
U. S. Govt. securities	1,441,646,328	1,779,252,940
Loans & discounts	4,011,268,699	4,449,052,456
Undiv. profits	116,437,212	121,060,921

Charles W. Carson, Jr., Robert K. Jennings and William P. Terry, former Assistant Secretaries, have been appointed Assistant Vice-Presidents of **Chemical Bank New York Trust Company, New York**. Chairman Harold H. Helm announced May 10. Mr. Carson is with the bank's International Division-Far Eastern territory. Mr. Jennings is Chairman Helm's Assistant. Mr. Terry is with the bank's Personal Trust Dept.

Ellsworth Donnell, Frank J. Jones and John B. Young, all formerly Assistant Vice-Presidents, have been named Vice-Presidents of **Bankers Trust Company, New York**.

Mr. Moore, Chairman of the Board, announced the election of George L. Fluhr, of the bank's Park Avenue office and William H. Morris, of the International Banking Department, as Assistant Vice-Presidents; Ralph V. Gordon, of the Real Estate Division and Martin A. Simon, 1107 Broadway

office, as Assistant Treasurers, and Roger Curlew as Manager of the Hunts Point office.

Mr. Donnell, recently returned from the Bank's overseas West End office in London, England, has been with Bankers Trust Co. since 1953. He has spent all of his banking career in the International Banking Division and was named an Officer in 1956 and an Assistant Vice-President in 1960. He heads the Bank's Far East section of the International Banking Department.

Mr. Jones, assigned to the Eastern Banking Division and responsible for Canadian business, joined the company in 1929. He was named an Officer of the Bank in 1946 and an Assistant Vice-President in 1950.

Mr. Young, who heads the Latin American section of the Bank's International Banking Department, joined the New York bank in 1953. Mr. Young was named an Officer of the Bank in 1956 and an Assistant Vice-President in 1960.

J. Roy Gordon was elected a Trustee of **The Bank of New York, New York**, at a meeting of the bank's trustees May 10.

The First Trust Company of Albany, Albany, New York, has received permission from the New York State Banking Department to increase its capital stock from \$1,000,000 to \$1,175,000, consisting of 117,500 shares of the par value of \$10.

Seventy-four-year-old Robert H. McLeod, President of the **First National Bank of Whippany, N. J.**, died May 3.

By a stock dividend, the **First National Bank of Toms River, Toms River, New Jersey**, has increased its common capital stock from \$1,200,000 to \$2,000,000, effective April 24. (Number of shares outstanding 400,000 shares, par value \$5.)

The First National Bank of Spring Lake, Spring Lake, New Jersey, has increased its common capital stock from \$100,000 to \$200,000 by a stock dividend, effective April 24. (Number of shares outstanding 20,000 shares, par value \$10.)

The National State Bank of Newark, New Jersey, announced the appointment of Orville E. Beal to the Advisory Board of the Bank's Millburn-Short Hills office.

Shareholders of **The Philadelphia National Bank, Philadelphia, Pa.**, at a special meeting held in Philadelphia May 9 approved a proposed merger of Philadelphia National with **Girard Trust Corn Exchange Bank, Philadelphia, Pa.**

Completion of the merger is subject to outcome of an action

brought into Federal Court by the Department of Justice in February seeking to bar the planned consolidation.

The proposed merger was originally approved on Nov. 15 last year by the Boards of Directors of both banks. The Comptroller of the Currency approved the merger on Feb. 24 but the following day the Department of Justice went into the U. S. District Court in Philadelphia and filed an action to block the merger. Subsequently, the Justice Department took similar action against other bank mergers in various parts of the country.

The Philadelphia National Bank, Philadelphia, Pa., has announced the election of Charles E. Pancoast, III, as a Vice-President.

Eubert J. Horan, Jr., Chairman of the Board of **Broad Street Trust Company, Philadelphia, Pa.**, announced the opening of its newest and 17th office, at 1715 South Broad Street, Philadelphia, on May 8.

Clarence A. Wanamaker, Jr. has been appointed Assistant Vice-President in the Trust Department of **Mellon National Bank and Trust Company, Pittsburgh, Pa.**

The common capital stock of the **First National Bank of Madison, Madison, Indiana**, has been increased from \$100,000 to \$200,000 by a stock dividend, effective April 26. (Number of shares outstanding 2,000 shares, par value \$100.)

ZIONS FIRST NATIONAL BANK, SALT LAKE CITY, UTAH

Apr. 12, 1961 Mar. 15, 1960

Total resources	147,694,454	138,915,074
Deposits	128,760,626	123,217,188
Cash and due from banks	26,337,813	25,035,295
U. S. Govt. securities	31,007,358	29,597,824
Loans & discounts	83,549,635	75,549,904
Undiv. profits and reserves	4,405,931	3,845,807

John M. Sogard has been elected a Director of the **Montana Bank of Great Falls, Montana**.

A New overseas branch of **Bank of America N. T. & S. A. San Francisco, Calif.**, will be opened soon in Karachi, West Pakistan, it was announced by President S. Clark Beise.

The Karachi branch is expected to be operational in the early fall. J. D. Van Oenan, with 20 years of international banking experience derived mainly in the Far East, has been named to manage the branch.

The Royal Bank of Canada, Montreal, Canada, has announced the appointment of R. J. Rogers as Supervisor of Brazilian branches with headquarters in Rio de Janeiro and of T. H. Kennedy as Manager of its Rio de Janeiro branch. A. M. Christie, Supervisor in Brazil for the past seven years, has retired.

Mr. Rogers joined the Royal Bank in 1923 and his entire career has been with the Royal's organization in Brazil. He was named Assistant Manager at Rio de Janeiro in 1937, Manager at Pernambuco (Recife) in 1945 and Senior Assistant Manager at Sao Paulo in 1950. He has been Manager of the Rio de Janeiro Branch since 1954.

Mr. Kennedy joined the bank in Alberta in 1936, moved to Brazil in 1947 and later served in the Dominican Republic. Subsequently, he became Assistant Manager of the Havana Branch and in recent years has been Manager at Barranquilla, Colombia and Maracaibo, Venezuela.

Herbert Bellinger Opens

WESTHAMPTON, N. Y.—Herbert H. Bellinger is conducting a securities business from offices on Montauk Highway.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The Treasury in its May 15 refunding operation made allotments to public subscribers to the 3% certificates above \$25,000 on the basis of 27%, while the 3¼% notes were allotted on a 12% basis for subscriptions in excess of \$25,000. These allotments were somewhat higher than the financial district has been looking for. The Treasury accepted subscriptions in the amount of \$8,260,000,000, compared with total subscriptions of \$26,716,000,000, and maturities of \$7,752,000,000. The Treasury was, therefore, able to pick up about \$508 million of new money.

The market action of Government obligations has of late been very much on the favorable side, with volume and activity increasing as many of these securities have made new highs for the year. The floating supply of Government bonds is limited at current price levels because most holders of these issues are not too much interested in selling at this time.

Lower Long Interest Rates Expected

The money and capital markets are attracting more of the attention of investors in spite of the continuing strong demand for common stocks. There is no question but what the opinions and feelings of many investors about the market for fixed income bearing obligations has turned decidedly for the better in the past week. Advances coming from the nation's Capitol appear to indicate that, not only the Administration, but also the Congress is in favor of keeping interest rates on the easy side. This would seem to apply more to long-term rates, although there are reports that near-term rates may also be pushed down modestly.

However, most money market followers believe that the long-term sector of the Government market is much more likely to be moderately lower with the passage of time rather than the short-term sector.

Factors Favoring Treasury Bond Purchases

The purchases of Government bonds by investors has not yet assumed large scale proportions, but there is a growing interest in these obligations. This is attributed to more than a passing amount of opinion which is around that the "overall" open market policy of the powers that be will in time have a beneficial influence on long-term Governments as well as all fixed income bearing obligations. Even though the corporate and tax-exempt bonds still give a more favorable return than do long-term Governments, there is still a good demand for Treasury bonds.

Also, it does not take too much in the way of buying to have a marked effect on Treasury bonds since the floating supply is decreasing in contrast with the increasing offerings of non-Federal issues. In addition, the yield on Government bonds, the highest rated issues in the fixed income bearing group or classifications, is not unfavorable to investors. Also the "new open market" policy of the monetary authorities could, over a period of time, improve materially the marketability and market action of long Treasury bonds.

World War 2½s in Demand

The purchases of the 2½s that came into existence during World War II continues to build up and, according to reports, these secu-

rities are still moving into strong hands. In addition, there is a much better market opinion of these intermediate-term obligations since the powers that be took a hand in making the rates on these issues more attractive to those who are interested in making new borrowings.

Because some money market specialists have a more positive viewpoint towards the capital market, this has resulted in the building up of inventories in selected issues. This has been a positive development in the market action of these issues.

No Surprise

The reduction in the Central Bank rate in West Germany from 3½% to 3% (now at the same level as our discount rate) was not entirely a surprise to money market followers. This is another sign that the free world money centers are working together in an effort to keep currencies and the various money markets on an even keel.

There is more than a passing amount of comment on the purchases of Government securities which are being made each month for estate tax purposes. It is evident that these obligations are not going to come back into the market to be added to the floating supply.

Consol. Cigar Offers Rights

Consolidated Cigar Corp. is offering to holders of its outstanding common stock rights to subscribe at \$39 per share for 173,263 additional common shares at the rate of one share for each eight shares held of record May 8, 1961. The offering will expire at 3:30 p.m. (EDST) May 24, 1961. A group of investment firms headed by Eastman Dillon, Union Securities & Co. will underwrite the offering.

Proceeds of the sale will be used for general corporate purposes, including working capital and to finance the corporation's expansion program.

Consolidated Cigar manufactures and sells cigars. Principal brands are "Dutch Masters," "El Producto," "La Palina," "Harvester," "Lovera," "Muriel" and "Headline," and accounted for 97% of total net sales of the corporation in 1960. The cigars are distributed by the corporation's sales subsidiaries, Dutch Masters Cigar Company, Inc. and El Producto Cigar Co., Inc. and by the corporation's Muriel Division.

For the fiscal year ended Dec. 31, 1960, net sales of the corporation totaled \$100,144,000 and net totaled \$4,433,000 compared with sales of \$90,020,000 and net of \$4,047,000 in the previous year. In 1960, the corporation paid \$1.60 in dividends. A quarterly dividend of 30 cents per share was paid on April 1, 1961.

As of April 1, 1961 and giving effect to the offering, capitalization of the corporation included \$16,957,000 in long-term debt, 64,936 shares of cumulative preferred stock, no par value, and 1,361,888 shares of common stock, \$1 par value.

Hollingsworth in N. Y.

R. Lee Hollingsworth is now conducting his investment business from offices at 80 Wall Street, New York City.

Earnings Comparison

20 Leading Bank Stocks Outside N. Y.

Bulletin on Request

LAIRD, BISSELL & MEEDS

Members New York Stock Exchange
Members American Stock Exchange
120 BROADWAY, NEW YORK 5, N. Y.
Telephone: Barclay 7-3500
Bell Teletype NY 1-1248-49
Specialists in Bank Stocks

NATIONAL AND GRINDLAYS BANK LIMITED

Head Office:

26, BISHOPSGATE, LONDON, E.C.3.

London Branches

54 PARLIAMENT STREET, S.W.1.

13 ST. JAMES'S SQUARE, S.W.1.

Bankers to the Government in: ADEN,

KENYA, UGANDA, ZANZIBAR

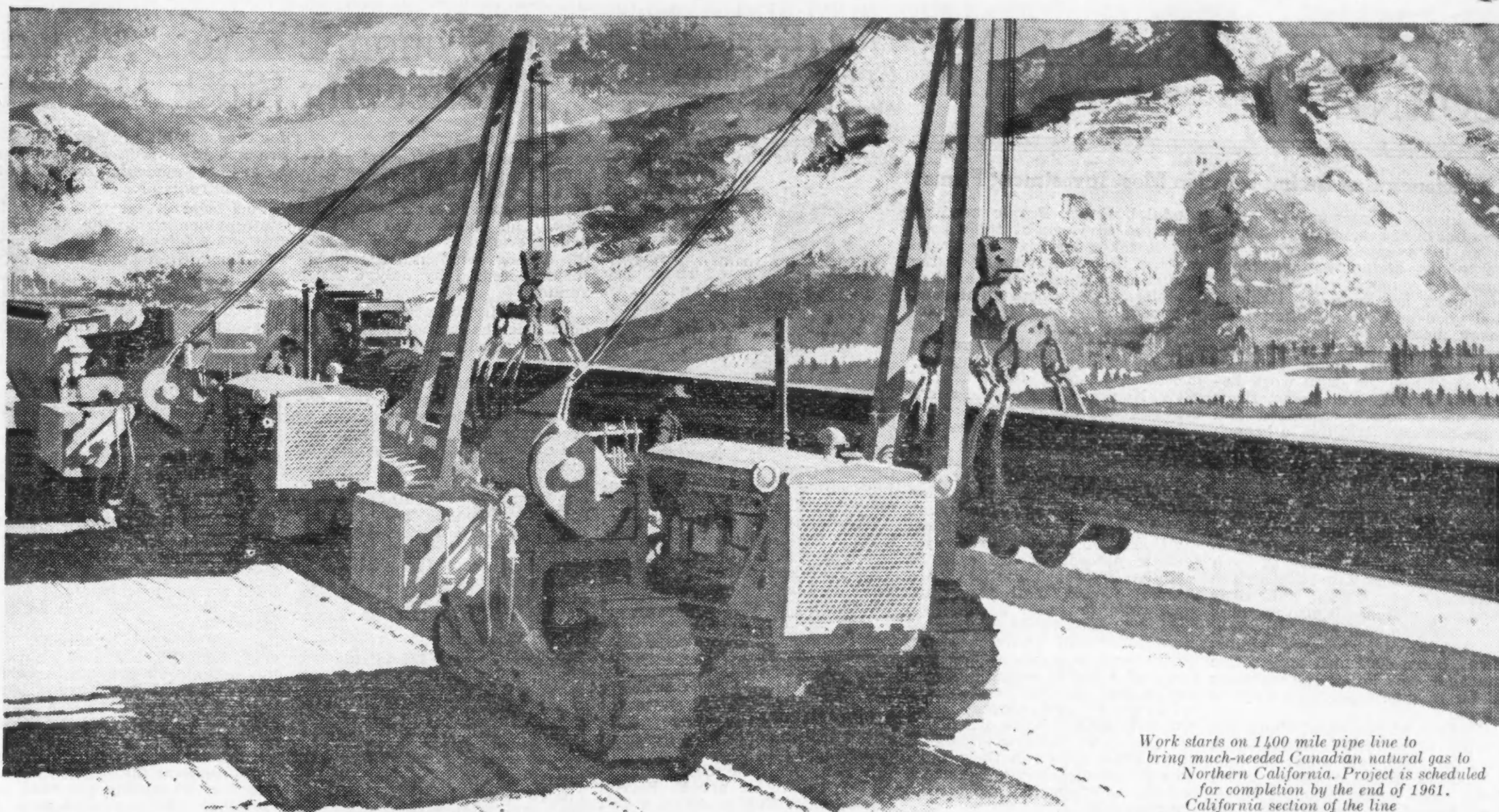
Branches in:

INDIA, PAKISTAN, CEYLON, BURMA,

KENYA, TANGANYIKA, ZANZIBAR,

UGANDA, ADEN, SOMALI REPUBLIC,

NORTHERN AND SOUTHERN RHODESIA



Work starts on 1,400 mile pipe line to bring much-needed Canadian natural gas to Northern California. Project is scheduled for completion by the end of 1961. California section of the line is estimated to cost \$58,000,000.

P. G. and E. 55th ANNUAL REPORT - 1960

Excerpts:

The year 1960 was one of the most eventful in the Company's history.

New highs were established for sales of gas and electricity, operating revenues, and net earnings. The rate of customer growth fell only slightly below that of the previous year. For the second successive year our sales of electricity exceeded those of any other operating electric utility in the country.

Net earnings for the common stock established a new high, equivalent to \$4.14 a share compared with \$3.70 in the previous year. Part of this improvement resulted from colder weather in 1960 which substantially increased the demand for space heating. There was no change in the number of common shares outstanding.

In a year filled with a number of important developments, perhaps the most notable was the receipt in August of the last governmental authorization required for construction of the Alberta-California project. This 1,400-mile, \$300 million natural gas pipeline is expected to be completed in late 1961. Construction began in October, climaxing a four-year effort by the Company

to obtain access to the natural gas reserves of Western Canada. The successful outcome is of great significance to the future growth of the California economy and to the long-range outlook for the Company.

Construction expenditures amounted to \$173 million in 1960. These are expected to rise to approximately \$230 million in 1961. The major portion of the increase will be attributable to expenditures for the California section of the Alberta-California project.

Once predominantly hydro in its electric resources, the Company now relies principally on thermal sources of power. In the past year we placed in operation or commenced construction on three different types of thermal generating facilities. At Pittsburg Power Plant we completed a 330,000-kilowatt conventional steam unit which is twice the size of the largest units previously installed on our system. Like three of similar size that are under construction, this unit uses either oil or natural gas for fuel.

The Geysers Power Plant, which we also placed in operation in 1960, is America's first electric power generating station utilizing natural steam from the earth. Although not of major size, it has attracted considerable attention as a possible forerunner of other similar plants.

Nuclear energy holds much promise as a future economic source of electric power. The Company

has been extremely active in this field since 1951. Late in 1960 we received final approval from the Atomic Energy Commission to construct a 60,000-kilowatt nuclear unit at our steam plant near Eureka. Construction of this unit is now under way, to be completed in 1962. The power produced is expected to become competitive in cost with power from conventional sources in the Eureka area after about three years' operation. We are continuing our studies looking to the construction of a large-scale nuclear plant in the San Francisco Bay area.

Although relying increasingly on thermal power, we are continuing to construct hydro facilities. Additions to our hydro-electric generating capacity under construction include a 42,000-kilowatt plant on the Kings River which will be completed in 1962, and replacement of the old DeSabra and Stanislaus Powerhouses with modern plants which will increase their capacity by 47,500 kilowatts.

The change in our National Administration which occurred on January 20 is of great importance to all Americans. Undoubtedly the new Administration's major efforts must be directed toward maintaining our country's position of world leadership and toward keeping us militarily strong as a deterrent to potential aggressors. Neither of these objectives can be assured, however, unless we maintain a strong economy at home. Essential to a strong domestic economy is a progressive and financially strong utility industry.

HIGHLIGHTS OF OPERATIONS

Operating Revenues and Other Income	\$ 648,790,000
Taxes and Franchise Payments	\$ 161,209,000
Natural Gas Purchased	\$ 164,919,000
Operating Payroll	\$ 79,223,000
Other Expenses and Charges	\$ 150,874,000
Net Income	\$ 92,565,000
Earned Per Common Share	\$4.14
Total Assets	\$2,478,677,000
Construction Expenditures	\$ 173,126,000
Sales of Electricity to Customers (KWH)	23,759,293,000
Sales of Gas to Customers (MCF)	370,412,000
Total Customers	3,692,625
Number of Employees	18,342
Number of Stockholders	224,657

FOR THE BOARD OF DIRECTORS

W. R. Sutherland
Chairman of the Board

W. R. Sutherland
President

PACIFIC GAS and ELECTRIC COMPANY
245 MARKET STREET, SAN FRANCISCO 6, CALIFORNIA

For added information on this essential company write K. C. Christensen, Vice President and Treasurer, 245 Market St., San Francisco 6, for P. G. & E's 1960 Annual Report.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Efficiency Can Be Improved in Most Investment Firms

The increased pressure of business has been bearing down heavily on the over-taxed clerical departments of many investment firms. As a result, relations with customers are seriously strained and good-will, which often took many months, or years of hard work, on the part of some salesman to establish, is lost. Tempers are short and the day's work becomes burdensome. Some firms are not properly organized and there is very little that a branch office manager, or his clerical staff and sales organization can accomplish, if they have to continually correct errors and mistakes made by home office personnel. The only way to correct basically unsound procedures is to make a thorough study of each department and institute the necessary changes. This costs money, sometimes it also requires the addition of hard to find, trained people, and new equipment; but a dedicated back office manager can improve conditions if he is given the authority to do so.

I know of one case where the clients of a branch office of a member firm, that mails its confirmations from a home office 1,300 miles away from the territory served by the branch, sent out confirmations airmail, special delivery. They were delivered between 11 p.m. and 1 o'clock in the morning. People were called to their door to receive this mail and after this inconvenience they were then told by the postman that they owed postage of about 22 cents per letter since someone in the mail room in the home office had forgotten to put the proper postage on the letters. How such a thing could occur may be beyond you, and anyone else in their right minds, but this actually happened.

Some of these letters went to important clients. Several raised such a rumpus the next morning that the salesmen who handled the accounts were hard put to pacify them. One man with a sick brother in his charge, raised the roof about being called to the door at that hour in the morning, just to find that he had a confirmation from his broker with 22 cents due on it. Another man refused to accept the letter and called his registered representative at 12 o'clock at night to complain.

Alibis

It is all right for people in executive jobs to gloss over many inefficiencies in trading, reporting orders, handling open orders, confirming trades, and sending out statements, with the easy retort that everybody is in the same boat, we are too busy, there is too much to do, or we are doing our best — you just can't get trained people. But that isn't going to be good enough to keep clients if some of their progressive, wide awake competitors run their business properly.

If you can't get trained people, hire them and train them. Put a good man in charge and teach your new people what they should do.

If your system is faulty, study the weak points and improve them.

If your clerical staff is tired and they make too many mistakes possibly you have been neglecting their morale. There should be some person in every office with management status that has his eye on the cashier's department, trading, and other clerical people. He should reward good work, and encourage progressive ideas and effort. This is done in every suc-

cessful business. People need an incentive to work at their best, and it takes good workers who can use their heads today in the securities business—whether they are clerks, mail-room employees, telephone operators, traders, stenographers, margin clerks, dividend clerks, and all the rest of the important people that together make a business function and grow. Neglect these people and a business will deteriorate.

In next week's column we will offer some suggestions that have been helpful in eliminating errors, petty annoyances and bad-temper between the sales organization and the cashier's department, trading desk, and other clerical divisions. Of course, these systematic procedures can only be effective in a small office or a branch office. No matter how hard you work to build a clientele, keep your customers, and cooperate with your fellow workers, unless there is an accounting system and a record keeping organization that can hold errors at a minimum and correct them promptly at your home office, you are going to lose customers to other firms who run their business efficiently, and use modern techniques to simplify and control their operations.

Announce Morton Advisory Comm.

BOSTON, Mass.—The formation of an entirely new Investment Advisory Committee for the B. C. Morton Fund, Inc., consisting of seven financial and business executives, has been announced.

Bernard Carver, President, said the Investment Advisory Committee will analyze financial and economic trends and developments and advise the Boston-based mutual fund regarding the portfolios of its three series of fund shares, growth, insurance and income. Elected to the committee were:

Nicholas E. Crane of New York City—Research Manager of the New York Stock Exchange firm of Dean Witter & Co. and a former President of The New York Society of Security Analysts.

Raymond H. Faxon of Boston, Mass.—Board Chairman of Fall River Gas Co.; Treasurer of Corning Gas Co.; owner of Faxon & Co., investment consultants.

Harold Hammer of New York City—Financial adviser; former Chairman of the Investment Committee of the American Surety Co.

Daniel E. Hogan, Jr. of Andover, Mass.—President of Lestoil Products, Inc.; President of Standard International Corp.; President of Automation Shares Management Corp.

Michael Kourday of New York City—Partner, institutional department of the New York Stock Exchange firm of J. R. Williston & Beane.

William S. Mills of Stamford, Conn.—President of American Fibre-Glass Corp.

Walker W. Stevenson of New York City—Partner of the New York Stock Exchange firm of Hemphill, Noyes & Co.; Treasurer of Mercer Management Corp.

With FIF Associates

DULUTH, Minn.—Kent Roger Sale has been named a sales representative for FIF Associates, Inc., Bradley Building, Ray A. Hunter, district manager of the mutual fund distributor, announced.

Mun. Bond Club Receives Slate

Alfred S. Mante, Manager of the municipal bond department of Smith, Barney & Co., has been nominated for the Presidency of The municipal Bond Club of New York for 1961-62 succeeding John W. de Milhau of The Chase Manhattan Bank.



Alfred S. Mante

The annual meeting and election of officers of the Club will be held on Friday, June 9, 1961, at the Westchester Country Club, Rye, N. Y., in conjunction with the Club's 28th annual outing.

Nominated for other top positions in the Club were William H. Urell, of F. S. Smithers & Co., for Vice-President; Truxton B. Pratt, Bankers Trust Company, for Secretary, and Francis P. Gallagher, Jr., W. H. Morton & Co., Incorporated, for Treasurer.

Frank P. Smeal, of Morgan Guaranty Trust Co. of New York, Joseph Vostal, of Kidder Peabody & Co., and Theodore P. Swick, of White, Weld & Co., were nominated as members of the Board of Governors.

Members of the Club's nominating committee are E. Barron Rockwell, of Halsey, Stuart & Co., Inc., Chairman; Monroe V. Poole, of George B. Gibbons & Company, Incorporated, and John J. Ward of The Chase Manhattan Bank.

Alfred J. Bianchetti, of J. A. Hogle & Co., is General Chairman of this year's outing.

Sutro & Co. Admits New Partner

SAN FRANCISCO, Calif.—Sutro & Co., 460 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges, announced the admission of T. Kevin Mallen as a General Partner. Mr. Mallen, a native of Ireland, served as General Manager for International Business Machines in the Philippines between 1934 and 1941 and as General Manager of I.B.M. for the Far East between 1945 and 1949. He was a partner in Ayala Associates between 1949 and 1957.

As a partner in Ayala, Mr. Mallen functioned in various executive capacities at Ampex Corporation, having been Vice-President and General Manager and Chairman of the Board. He is currently a member of the board of directors of Ampex. He is, as well, a member of the board of a number of other companies both here and in Dublin.

From 1942 to 1945, Mr. Mallen served with the U. S. Armed Forces, first, as Chief S. E. Asia Branch G-2 and, later, with the Air Commando Group in Burma. He was decorated with the Bronze Star and Presidential Citation and retired as Lt. Colonel, U.S.A.F. in 1945.

Presently, Mr. Mallen is Secretary of the Board of Regents of the University of San Francisco, and a member of the advisory board of the College of Notre Dame in Belmont, Calif.

Auchincloss, Parker to Admit Partner

WASHINGTON, D. C.—Auchincloss, Parker & Redpath, 1705 H Street, N. W., members of the New York Stock Exchange, on May 18 will admit Hyde Gillette to partnership.

The Economic Forces Ahead Affecting Stock Market

Continued from page 3

result, the 1950s witnessed a very rapid expansion in personal debt of all kinds, including mortgage debt, consumer debt and financial debt. The increase in personal debt averaged 12% a year during the decade, whereas national income increased by only 6% per annum.

This ability to increase personal debt twice as fast as income contributed substantially to the rate of growth.

The combination of low debt and backlogs of unsatisfied demands is perfectly designed to accelerate economic growth. We did have that combination during the 1950s. We don't have that combination for the 1960s. On the one hand, the backlogs of unsatisfied demands have largely been satiated. On the other hand, personal and mortgage debt has expanded several fold. Hence, two important factors that accelerated the rate of economic growth during the 1950s are no longer present.

New Growth Stimulants

Will other stimuli take the place of backlogs of unsatisfied demands and a low debt level to maintain a faster than average rate of economic growth?

One stimulus that has been widely cited is an upturn in family formation that will reflect the rising birth rate of the 1940s. But, that is a factor which will assume major proportions only in the late 1960s. It could be a key factor in accelerating growth in the seventies, but since the birth rate rose sharply only in 1946 and the following years, family formation will register a major rise only near the end of the current decade.

Another factor is the policy of the Federal Government. The Kennedy Administration has made acceleration of the rate of growth of the economy its cardinal economic objective. The rise of the stock market since the 1960 election reflects a growing belief that the powers of government can be used and used effectively to accelerate the rate of growth of the economy.

Since 1946, under the Full Employment Act, the powers of government have been used and used effectively to prevent a major depression. But the Kennedy economic program is going a step further beyond preventing depression, and is fixing upon an acceleration of the rate of economic growth as its chief objective. In fact the 4% rate of growth of the 1950s has been called inadequate. It has been suggested that 6% is desirable, and 5% is apparently a minimum for which the new administration would settle as a goal. [Ed. Note: President Kennedy did use the latter figure during the first week of May.]

But it has yet to be demonstrated that government measures can maintain a high rate of economic growth when the stimuli of inherited backlogs of unsatisfied demands and a low level of private debt are lacking. Doubts that this objective can be attained are the more insistent because resort to easy money and deficit financing is now restricted by a large and, so far, a persistent deficit in the balance of international payments of the United States. This balance of payments problem, which is quiescent at the moment but is by no means solved, is one that puts limits on what could be done in the way of easy money and deficits without stimulating a new gold outflow.

What was done in 1958, and done with a relatively light heart at that time—the 12 billion dollar deficit and a rate of 8/10th's of 1%

for Treasury bills in April, 1958—are virtually unthinkable with the balance of payments problem that now confronts us.

So I believe that, until there is more evidence that the Administration's efforts to speed the pace of economic growth will be successful, one must conclude that the rate of growth of the American economy will be less favorable to rising stock prices in the 1960s than it was in the 1950s. This is the more true since stock prices started from a level in 1960 that was three times as high as that from which the advance started in 1950. We must relate the prospect of a slower rate of economic growth to the prevailing level of stock prices to appraise its consequences.

The Trend of Commodity Prices

The trend of commodity prices, the second basic economic trend that has a major impact upon the stock market, promises to be more stable in the 1960s than in the 1950s. One reason for this view is the intensified competition, not only domestic, but also international, that now prevails. Another reason is the larger annual additions that accrue to the labor force. The rising birth rates of the 1940s may not give us a much higher rate of family formation until near the end of the decade, but it already provides increasingly larger increments to the labor force. The more rapid expansion of the labor force lessens pressure for wage increases in excess of productivity gains.

The outcome of the steel strike of 1959 and the General Electric strike last year gives concrete evidence that it is becoming more difficult for unions to win wage increases materially in excess of those that can be justified by gains in productivity. In a highly competitive economy, employers must resist such demands far more vigorously than in an era of shortages and less intense competition. Larger annual increments to the labor force restrain the wage push spiral that was the primary source of the further inflation of the 1950s.

Often people point to Federal Government deficits as an inflationary force that will continue to push the commodity price level upwards. Federal deficits of the current magnitude are not inflationary under conditions of a slackening rate of economic growth. The contemplated deficits of two or three billion dollars in a year of recession help to prevent deflation of the price level rather than cause additional inflation.

If we continue to have a stable wholesale price level, and it has been stable since 1958, this will affect both the trend of corporate profits and the extent to which current savings will flow into equity investments.

The Trend of Corporate Profits

A slowing up of the rate of economic growth and a more stable trend of commodity prices will tend to hold down the volume of profits reported. Just as inflation tended to maintain wide profit margins, so a stable price level, particularly where some costs continue to rise, tends to cause a profit squeeze. Such a profit squeeze has been apparent in a number of industries.

It is essential that we recognize, however, that while stable prices may hold down the volume of corporate profits, a stable price level greatly improves the quality of corporate profits. If there is any one reason which would justify a high level of stock prices under present conditions, I think it must be sought in the great

changes that have occurred in the quality of corporate profits.

A stable price level improves the quality of corporate profits in two ways. First and less important, it eliminates the inventory profit factor. In 1950, according to the Department of Commerce, \$5 billion of the corporate profits reported reflected so-called inventory profits resulting from sales of low cost inventory on a rising price level. There were no overall inventory profits in 1960, according to the estimates of the Department of Commerce.

Much more important is the fact that rising prices cause depreciation allowances to become inadequate. Depreciation allowances in an inflation period are based upon the lower historic cost of assets, whereas the new assets acquired at prevailing higher prices involve larger and larger outlays of cash. As a result, inflation bloats reported profits but deteriorates the cash flow of the enterprise, since it holds down depreciation allowances but greatly increases the sums that must be spent for new assets.

In the 1960's, on the other hand, with stable prices, depreciation allowances will reach a record high level whereas expenditures on new assets will tend to be stabilized. The cash flow of corporate enterprise generally will be greatly improved in consequence.

To illustrate what is happening, we can go back to 1950 and note that for each dollar of net profits reported, American corporations deducted 34c for depreciation. But when we come to 1960, for each dollar of net profits reported a little more than a dollar was deducted for depreciation. Depreciation clearly is catching up with a higher price level, while expenditures for new assets are not rising because, among other reasons, of the stabilization of the price level.

The 1960's, so far as corporate profits are concerned, are likely to witness, on the one hand, a less favorable trend than in the 1950's so far as reported profits are concerned, but on the other hand a far more favorable cash flow than was experienced in the 1950's. And, a more favorable cash flow has very interesting implications for dividend policies and certain other corporate policies of great interest to the investor.

The Flow of Savings Into Equities

The proportion of savings that will go into equity investments will be determined, first, by institutional investment policies; and, secondly, by the pattern of individual investment.

Equity purchases by institutions will tend to expand because of further broadening of the powers of State and local retirement funds and some other institutional investors to invest in equities. A number of State and local retirement funds are considering or beginning purchases of equities. For example, the California retirement funds have been advised by a well-known advisory organization to place 25% of their resources in equities as an ultimate objective. Since no equities are now held, even a lower objective would require putting a high percentage of the annual addition to these very large retirement funds in equities.

Variable annuities, should sales meet the expectations of some of their more enthusiastic proponents, could lead to large purchases of common stocks by life insurance companies that will offer variable annuity plans.

At the same time, it must be recognized that institutional investment in equities can be discouraged by very high price: earnings ratios and low dividend yields for common stocks, should these persist over any long period of time.

Institutional investors will shop for the best available investments

for their funds. They will compare what equities offer with the returns available from bonds and mortgages over a period of years, and where growth prospects of equities are overdiscounted in prices, they can be expected to reduce the proportion of new funds that will be devoted to stock purchases.

Over the past decade, the performance of bonds has been very poor indeed as compared with the performance of equities. But since, over the past decade, the level of stock prices has tripled and average stock yields have declined sharply, while bond yields have increased sharply, institutional investors are confronted with a different set of relative values in comparing equities with fixed income obligations. What has happened during the past 10 years does not necessarily indicate which class of investments would be the more attractive outlet in the years ahead, starting from the price levels that now prevail.

The pattern of individual investment could have even a greater effect, since the bulk of outstanding stocks is held by individual investors.

The broadening of stock ownership among individuals was a major feature of the 1950's. This trend could slow down with an abatement of inflation fears, or indications that administration efforts to accelerate the rate of economic growth produce limited results, especially when other investment media give substantially higher current yields than can be obtained from common stocks.

At the same time, any appraisal of the trend of common stock ownership by individual investors must take into account the basic fact that a surprisingly small percentage of Americans are investors in common stocks, directly or through investment companies, as compared with the number that have savings accounts and life insurance. Projections of estimates by the Consumer Finance Survey sponsored by the Federal Reserve System indicate that some 14% of all spending units in this country own common stocks, as against some 75% that have life insurance and close to 50% that have savings accounts. This must be kept in mind in appraising the outlook for a further broadening of direct common stock investment by individuals.

Conclusions

This appraisal of economic trends affecting the stock market points to the following conclusions:

First, that a faster than average rate of economic growth and creeping inflation contributed to a rise in corporate profits and helped to attract a growing volume of institutional and individual investment funds into stocks during the 1950's, which led to a tripling of the share price level.

Secondly, that the prospect for the 1960's is for some slowing up of the rate of economic growth, since we lack the inherited shortages and the low debt level that swelled activity in the 1950's. Also, increased stability of commodity prices, a persistence of the profit squeeze but a much more favorable cash flow position for corporations are reasonable expectations.

Basic economic trends thus promise to be rather less favorable for the stock market than was the case in the 1950's.

*An address by Dr. Bogen at the New York University's Graduate School of Business Administration's Executive Lectures on our Changing Economy, Lecture III, 1961 series, New York City.

L. V. Swezey Opens

(Special to THE FINANCIAL CHRONICLE)

HALEAH, Fla.—Lewis V. Swezey is engaging in a securities business from offices at 170 Hialeah Drive.

Boston Inv. Club To Hear Thurlow

BOSTON, Mass.—The Boston Investment Club will hold its monthly dinner meeting at 5:30 p.m., Thursday, May 18, at the Hampshire House. The speaker will be the distinguished financial analyst, Bradbury K. Thurlow. Mr. Thurlow is perhaps best known for his *Monthly Investment Letter*, a regularly published bulletin on investments, market conditions, economic trends, and social and political developments as they affect the market. A classical scholar, and fluent in a number of languages, Mr. Thurlow's letter is unique in that it combines the philosophical approach of a student with a realistic appraisal of current values.



Bradbury K. Thurlow

His financial reviews have appeared in the *New York Times*, the *Herald Tribune*, the *Boston Herald*, and the *Philadelphia Bulletin*. He has written magazine articles for the *Commercial and Financial Chronicle*, *Barron's*, *Trust & Estate*, *Investor's Future*, and others.

Mr. Thurlow was born in Brookline, Mass., attended St. Marks School at Southborough, Mass., and was graduated from Harvard in 1946. After serving with the U. S. State Department as Russian translator, he began his Wall Street career as a trainee with Harris, Upham & Co., and then joined Minsch Monell & Co., becoming a partner in 1950. He was later a partner in Talmage & Co., and started the firm of Osborne and Thurlow in 1955.

Electro-Mech. Stock Offered

Pursuant to a May 1 offering circular, Manufacturers Securities Corp., 551 Fifth Ave., New York City, publicly offered at \$2.30 per share 54,000 shares of the 1 cent par common stock of Electro-Mechanical Corp.

The issuing company, a New Rochelle, N. Y., electronics concern, plans to use the net proceeds, estimated at about \$100,000, for general corporate purposes, including debt reduction, the purchase of production equipment, and sales and advertising expenses.

Alberta Gas Trunk Line Private Placement

On May 9 The Dominion Securities Corp., 40 Exchange Place, New York 5, N. Y., announced the private placement of \$67,000,000 of 5 3/4% first mortgage sinking fund bonds, series B, due May 1, 1981, of The Alberta Gas Trunk Line Co. Ltd. Alberta Gas will use the proceeds for construction.

Warner, Jennings Opens Branch in Boston

BOSTON, Mass. — Warner, Jennings, Mandel & Longstreth, of Philadelphia, has opened an office at 50 Franklin Street.

Associated with the new office are Robert J. Barnicle, formerly of Merrill Lynch, Pierce, Fenner & Smith Incorporated, and Cecil C. Marble and Manuel Tishler, both previously with Schirmer Atherton & Co.

Phila. Secs. Ass'n Names Committees

PHILADELPHIA, Pa.—Gordon L. Keen of F. W. Pressprich & Co., President of the Philadelphia Securities Association, has announced the appointment of various committees of the association to serve for the ensuing year.

Frederick T. J. Clement of Drexel & Co. was appointed chairman and Edwin J. Pearson of Smith, Barney & Co., Vice-Chairman of the Arrangements and Outing Committee. Other committee members are: Rubin Hardy of The First Boston Corporation, James J. Hughes, Jr. of Drexel & Co., Robert G. Rowe, Jr. of Paine, Webber, Jackson & Curtis, Robert S. March of Schmidt, Roberts and

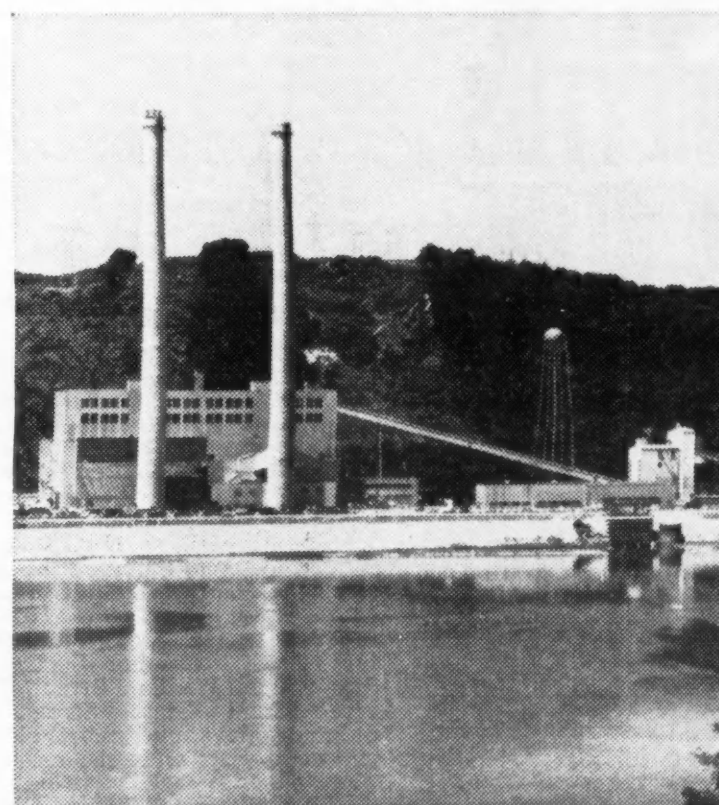
Parke and Edward C. P. Thomas of Harriman Ripley & Co., Inc.

John D. Foster of Studley, Shupert & Co., Inc. heads the Membership Committee as Chairman. Other committee members are: Leighton H. McIlvaine of Goldman, Sachs & Co., Henry E. Crouter of DeHaven & Townsend, Crouter & Bodine and Thomas W. Smyth of White, Weld & Co.

The Program Committee consists of Edward B. Stokes of Elkins, Morris, Stokes & Co. as Chairman and John A. Nigro, Jr. of Halliwell, Sulzberger, Jenks, Kirkland & Co. Samuel R. Roberts of Schmidt, Roberts & Parke is Chairman of the Directory Committee and E. Howard York, 3rd of Doremus & Company, Inc. is Chairman of the Public Relations Committee.

Power for the future in

THE CENTER OF INDUSTRIAL AMERICA



W. H. Sammis Plant on the Ohio River is the newest of the 11 power plants in the Ohio Edison System. When completed in 1962, its four generating units will produce 692,000 kilowatts of electricity.

Highlights from the 1960 annual report of Ohio Edison Company and its subsidiary, Pennsylvania Power Company, on a consolidated basis:

Earnings per Common Share	\$ 2.14
Operating Revenue	\$ 159,947,000
Kilowatt-Hours of Electricity Sold	8,752,515,000
Electric Customers Served	679,123
Operating Expenses	\$ 79,960,000
Provision for Taxes	\$ 42,658,000
Net Income, after Preferred Dividends	\$ 27,369,000
Expenditures for Property Additions and Improvements	\$ 56,788,000
New Generating Capacity Added During Year (kilowatts)	173,000

For a copy of the annual report, write L. I. Wells, Secretary of the Company

Ohio Edison Co.

General Offices • Akron 8, Ohio

Wellington

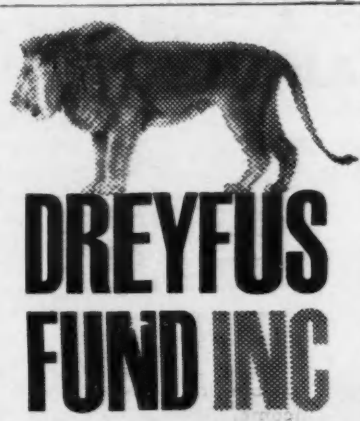
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Funds Active Stock Buyers As Market Neared New High

Continued from page 1

chases of their own shares in the March quarter.

This policy, immediately and automatically increasing the net asset value of the remaining shares outstanding and the income thereon, seems particularly appropriate during periods of "high" or otherwise risky market levels. Furthermore in the case of closed-end funds (as AIC) which in the past have sold additional shares below asset value, such buying-in reverses the previous dilution.

STOCK BUYERS

Particularly large net buyers of common stocks were the following among the open-end balanced funds: The Axe funds, Boston Fund, Broad Street Investing, General Investors Trust, Johnston Mutual Fund, Massachusetts Life Fund, Mutual Investment Fund, Scudder, Stevens & Clark, Shareholders' Trust of Boston, the Stein Roe & Farnham Balanced Funds, and Wellington Fund. Outstanding among the long list of net buyers of common stocks among the open-end stock funds were: Affiliated Fund, Blue Ridge, Dreyfus Fund Energy Fund, Guardian Mutual Fund, National Investors, Scudder, Stevens & Clark Common Stock Fund, Selected American Shares, Stein Roe & Farnham Stock Fund, and the four United Funds. Among the closed-end companies the concentrated buyers of common stock were: Lehman Corp., Madison Fund, and Tri-Continental.

STOCK SELLERS

Important net sellers of common stocks among the open-end balanced funds included: Commonwealth Investment, Diversified Investment, Eaton & Howard Balanced Fund, National Securities-Income, Nation-Wide Securities, and Value Line Income Fund. The relatively few net sellers of common stocks among the open-end stock funds included: Dividend Shares, Eaton & Howard Stock Fund, Massachusetts Investors Trust, National Securities-Stock, One William Street, Pine Street and State Street. As pointed out above, most closed-end companies were net sellers of

commons. This was the case, by a particularly wide margin, with Adams Express, American International, Carriers & General, General American Investors, Niagara Share and, as usual, U. S. & Foreign Securities.

THE INDUSTRY SPEAKS

Following the widespread practice of linking outside economic, business and political factors to portfolio policy by fund managers along with most other investors, Mr. Albert J. Hettinger, Jr., Chairman of Lazard Fund, said:

"Evidence increases that the recession has run its course, and there is a growing conviction that industrial production is beginning to rise, or likely to do so in the near future. Such an assumption is a calculated risk, the resultant of weighing conflicting factors. The decline in February's Federal Reserve Index of Industrial Production was limited to a fraction of a percent. Steel production has increased for three, and new housing starts for two months. Automobile sales have lifted from distinctly disappointing levels in the early weeks of the year, and April manufacturing schedules have been revised upward. For the first time since the downturn in 1960, manufacturers' sales and new orders, for both durable and non-durable goods, have increased. Their inventories are now below a year ago, and the long decline in unfilled orders has been halted. Retail trade figures, stimulated by an early Easter, are difficult to interpret, but sales have probably exceeded expectations; in this sector of the economy downward inventory readjustments continue.

"At any cyclical turning point evidence is conflicting," continued Mr. Hettinger. "Certainly it is now. Industries are still cutting back production in an effort to reduce inventories to levels consistent with current and near-term anticipated sales. Some of the gains cited are of too short duration to constitute trends that can be projected with reasonable assurance. Seasonally adjusted unemployment of 6.9% of the working force is the highest yet recorded during the recession. Personal savings were higher in 1960 than

in any previous postwar year (especially so during the last six months) and consumers obviously spent with restraint. Consumer credit outstanding—seasonally adjusted—was reduced during January and February, the first time since the 1957-1958 recession.

"Judgments on which policy decisions are made must either anticipate or await economic data delayed because of the time lag involved in reporting," states the Lazard official. "The choice between anticipating or awaiting confirmation must be a calculated risk—an evaluation of conflicting economic factors. A buoyant stock market at the recession's lowest levels of industrial production suggests its confidence in an early upturn in the economy. We believe that recovery has either begun or will not be long delayed. In that event, this would be the mildest of the four postwar recessions."

Speaking directly of his fund's portfolio operations, Mr. Hettinger said: "In recognition of the sharp market advance, with increasing evidence of speculative movements in some areas, we have increased our liquidity from 7.8% at year-end to 12.4%. This has resulted in recording capital gains of about \$4,700,000. We expect the recovery the stock market is discounting, and therefore maintain a well invested position. It is our belief that the nation has the potentials of a strong recovery which will be assured only if earned."

Expressing the conviction that both the recession and the stock market have seen their 1961 low points, the National Securities & Research Corp. stated: "The low point of the recession is believed to have been reached in the first quarter of 1961, with gross national product at just under \$500 billion, an average of about 102 on the Federal Reserve Board index of industrial production. This investment company believes the low point for 1961 of well-known common stock averages has been recorded and the highest levels for the year are still ahead of us."

Aggressiveness Increases

Stepping up its previous bullish attitude was Dreyfus Fund: "Your fund took a somewhat more aggressive position in the first quarter by cutting its cash and government security holdings from 17% at the year-end to 8% on March 31, 1961. We felt there were reasons to be more optimistic. For one thing, the market itself had established a major uptrend. Secondly, the Federal Reserve's easy-money policy had a sustaining influence, and lastly, several key economic indicators began to show signs of reversing their declines."

Reflecting the practice of "drawing down" some of the big paper profit on the high-flying blue chips, without bearishness on the issue, was the action of the Dominick Fund regarding IBM.

As explained by Mr. A. Varick Stout, President: "This company's long-term prospects continue to appear unusually favorable and at the end of the quarter IBM remained the fund's largest individual holding, amounting to 12.6% of total net assets."

Among the managers favoring cyclical industries is Wellington Fund, which has been continuing its acquisition of shares in the consumer sector. Mr. A. Mover Kulp, Vice-President, also has called attention to his fund's switching from defensive senior securities (bonds and preferred stocks) to equities.

Continuing its policy of buying good values where it finds them, with confidence in the bull market, was the George Putnam Fund, with this statement by Charles M. Werly, Chairman of the Trustees: "This stock market rise reflects the pressure of money which does not want to stay in cash or in bonds. We have always been an aggressive common stock fund. We do not try to trade the market, but we will take our opportunities in lipstick stocks or in steels. We made a lot of money on defaulted railroad bonds in the early 1940s. I think we are now in a continuing bull market."

Voicing confidence in the "Kennedy bull market" is Milan D. Popovic, President of Blue Ridge Mutual Fund:

"The aggressive program of action of the new Administration has stimulated investors into a highly optimistic state of mind as indicated in their willingness to bid for stocks at prices which clearly suggest that the recession is nearly over. The high level of quotations also presumes a healthy rise in business and corporate profits in the not too distant future. We agree with this attitude as to the main trend, even though we are aware that there are problems which will continue to be disturbing, at least temporarily, particularly in certain exposed marginal as well as mature industries and companies. Prospects are generally good, but not for all, since most of the improvement will be channeled to those who are best placed to benefit from the changing pace of the economic movement."

Endorsing switching from bonds to stock, Mr. Lawrence A. Sykes, President of Massachusetts Life Fund, said: "Continuing our policy started in November 1960 of actively acquiring selected common stocks, we have increased the common stock portion to 63.43% from 59.16% at the year-end. Part of this increase resulted from market appreciation. At the same time, we have taken advantage of a higher bond market to eliminate our low interest rate bonds."

Accompanying his confidence in the long-term growth of the economy with stock market skepticism, Messrs. Randolph and Brown of the Broad Street Group said: "Faith in the long-term growth and continued prosperity of the

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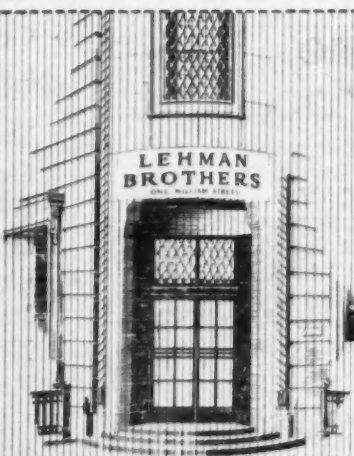
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American economy seems well-placed." Analyzing the portfolio operations of Broad Street Investing, they added: "Investments in common stocks accounted for 88.3% of net assets at March 31, up from 87% at the start of the year. This increase reflected the rise in stock prices in general during the first three months."

Among those embracing caution in their overall portfolio policy was Donald C. Samuel, President of Energy Fund: "Although we have consistently followed a policy during our five years' existence of always being just about fully invested, we felt in the closing weeks of March that it was advisable to create a cash position equaling approximately 5% of our net assets. Needless to say, the dangers inherent in the Laotian situation influenced our judgment in this connection."

From Stocks to Bonds

In the forefront of those transferring from stocks to bonds was the Value Line Income Fund. Said its President, Arnold Bernhard: "The primary objective of the Value Line Income Fund is to provide its shareholders with as much current income in each quarter as is consistent with sound investment principles and the investment outlook. Although attainment of this objective cannot be assured, it has been and will continue to be pursued with continuous and painstaking diligence. During most of the past decade, the prices of common stocks in general have been rising more rapidly than their earnings and dividends. For some time it has been possible to obtain appreciably higher yields from bonds than from leading common stocks, and in our opinion, with less risk of price decline. Accordingly, the fund's investments in high-yielding bonds have been progressively increased, and stock commitments have been largely confined to issues that still pay substantial dividends in relation to current prices."

An Exceptional Value Approach

A policy of concentrating on value-seeking in individual issues including those off the beaten path, in lieu of market-timing, is vigorously espoused by the Pioneer Fund. "The performance of any diversified portfolio is the resultant of two factors," says its President, Philip L. Carret, "the movement of the general market customarily measured by the Dow Jones Industrial or some other average, and the 'product mix,' so to speak. The movement of the general market is beyond the control of any investment manager and we know of no consistently successful method of calling the turning points on major market movements. Abandoning the attempt to outguess market movements, then, the professional investor must concentrate on his product mix."

In the case of Pioneer Fund, Mr. Carret continued, "this effort involves an emphasis on management's appraisal of intrinsic values rather than a search for the popular securities or types of securities of the moment. In fact, your management tends to shun the stocks of companies which overemphasize stockholder rela-

tions. In publicly owned companies the 'public be damned' attitude is as dead as the famous tycoon who uttered that revealing phrase several decades ago. It is perfectly proper for management of a growing company to inform stockholders and security analysts about its operations and its future plans. If a management is trying harder to create a favorable 'corporate image' than to produce favorable results for its stockholders, however, a professional investor may reasonably prefer the company whose management saws wood and says nothing. In the long run the market for the stock of such a company will take care of itself."

Issues newly acquired by this Fund include Leesona Corp., with its holdings increased in Exolon Corp.

POPULARITY WINNERS

The scorecard for the March quarter shows a list of widely bought stocks quite different from the final quarter of 1960. This time, top honor went to International Tel. & Tel. which was bought by nine fund managements while sold by none. Second best bought stock was American Tel. & Tel., bought by 13 managements (partly though exercise of rights) while sold by six managements. Third place was shared by Standard Oil (N. J.) (eight buyers, two sellers), Sperry Rand (also eight vs. two) and American Metal Climax (seven vs. one). In the preceding quarter Continental Oil had been the best-bought stock, with Polaroid, Pepsi-Cola and Royal Dutch Petroleum the runners-up.

"UNANIMOUS" FAVORITES

The following 23 issues, bought by four or more fund managements, met no selling, all transactions being on the buying side: Lockheed, Mack Trucks, Thompson Ramo Wooldridge, Trane, ITT, Walter E. Heller, Armour, Joy Mfg., Aluminium Ltd., Cerro, Phelps Dodge, Amerada Petroleum, Apco Oil, Continental Oil, Ohio Oil, Sunray Mid-Continent Oil, Gulf States Utilities, Western Union, Zenith Radio, ACF Industries, Woolworth, W. R. Grace and Thermo King.

Interestingly, Woolworth was one issue that also appeared on the preceding quarter's list of stocks bought by four or more fund managements without encountering any selling.

DIS-FAVORED STOCKS

The two stocks which during the first quarter of 1961 encountered more selling on balance than any other were IBM and Westinghouse Electric. IBM was sold by 10 fund managements while bought by only three. Significantly what selling there was of this issue represented a partial "drawing down" of profits without its complete elimination. There was, of course, also at work some intention to improve diversification by cutting down on the larger holdings of IBM as in the case cited of the Dominick Fund, which was quoted above.

In the case of Westinghouse Electric sold by nine and bought

Continued on page 25

Changes in Common Stock Holdings of 71 Investment Management Groups

(January-March, 1961)

Issues in which transactions by more than one management group occurred. Issues which more managements sold than bought are in italics. Numerals in parentheses indicate number of managements making entirely new purchases or completely eliminating the stock from their portfolios. (Purchases shown exclude shares received through stock splits, stock dividends, spin-offs or mergers, both of portfolio companies or via acquisition of private holding companies. Number of shares bought or sold prior to a stock split is expressed giving effect to the split.)

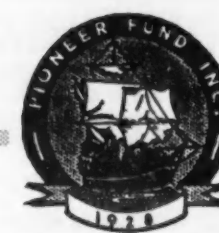
—Bought—				—Sold—	
No. of	No. of			No. of	No. of
Mgts.	Shares			Shares	Mgts.
Agricultural Equipment					
2	3,270	Deere	22,888	4(3)	
1	3,000	International Harvester	52,700	3(2)	
Aircraft and Aircraft Equipment					
3(1)	16,000	Boeing Airplane	33,000	2(1)	
3(1)	38,800	Cessna Aircraft	None	None	
5(2)	52,700	Lockheed Aircraft	None	None	
7(2)	71,000	North American Aviation	14,000	2	
2	18,400	Piper Aircraft	None	None	
6(2)	42,000	United Aircraft	51,500	2(1)	
1	2,000	General Dynamics	6,771	2(2)	
None	None	Grumman Aircraft	18,100	3(1)	
3(1)	47,000	Martin	58,750	5(3)	
Airlines					
3(1)	29,800	American Airlines	None	None	
2(2)	42,000	Pan American World Airways	None	None	
5(2)	32,400	United Air Lines	3,525	1	
None	None	Northwest Airlines	31,000	2	
Automotive					
9(4)	255,000	Ford Motor	151,500	6(3)	
3(2)	84,000	Fruehauf Trailer	None	None	
4	307,780	General Motors	13,600	3(1)	
5(3)	51,000	Mack Trucks	None	None	
2(2)	25,000	White Motor	8,600	4	
Automotive Equipment					
1	300	Borg-Warner	2,000	1	
3(1)	3,300	Briggs & Stratton	5,200	2	
2	7,600	Champion Spark Plug	3,500	1	
3(2)	7,400	Clark Equipment	12,200	2	
1	800	Stewart-Warner	10,000	1(1)	
4	32,200	Thompson Ramo Wooldridge	None	None	
1(1)	11,900	Bendix	6,195	2(2)	
1	1,000	Electric Storage Battery	9,000	3(3)	
Banks					
3(2)	23,200	Bank of America	None	None	
2	14,500	Chemical Bank N. Y. Trust	2,000	1(1)	
3(1)	11,000	Continental Illinois Nat'l B.&Tr.	None	None	
2	7,800	First Bank Stock	None	None	
2	4,068	First National City Bank, N. Y.	None	None	
1	2,000	Manufacturers Trust	25,400	1	
2	4,975	Marine Midland	875	1	
2(1)	8,950	Morgan Guaranty Trust	465	1	
2	4,400	Security-First Nat'l Bk., L. A.	None	None	
Beverages					
3(1)	29,000	Canadian Breweries	None	None	
7(4)	29,925	Coca-Cola	2,800	2	
1	1,000	Falstaff Brewing	3,300	1	
2(1)	65,000	Pabst Brewing	None	None	
5	104,500	Pepsi-Cola	19,000	2	

Continued on page 24



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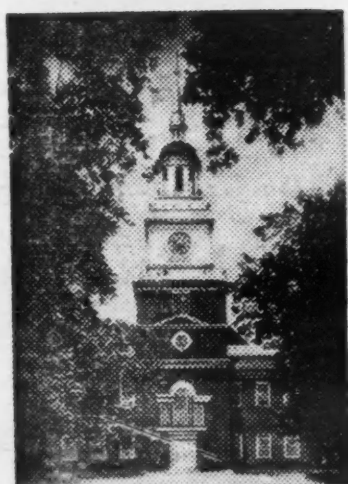
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Continued from page 23

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No. of	No. of			Mgts.	Shares		Shares	Mgts.
Mgts.	Shares							
Building, Construction and Equipment								
2	23,000	Bestwall Gypsum	16,040	2	None	None	General Electric	153,300
2(2)	35,000	Copeland Refrigeration	None	None	None	None	Indiana General	11,800
3(3)	99,900	Diamond National	None	None	None	None	Ling-Temco Electronics	89,500
3(1)	10,149	Georgia-Pacific	10,000	1	3(1)	6,188	Minneapolis-Honeywell	5,450
3(2)	7,100	Johns-Manville	11,500	2	1	760	Philco	2,900
2(1)	11,800	Lehigh Portland Cement	None	None	None	None	Philips' Lamp Works (fl 50)	23,025
3(3)	49,000	Marquette Cement Mfg.	None	None	1(1)	3,300	RCA	145,036
2(2)	10,000	Maytag	None	None	2(1)	55,300	Sprague Electric	34,166
1	1,000	National Gypsum	13,240	1			Square D	18,070
2(2)	25,500	National Homes "B"	20,280	2(1)			Westinghouse Electric	175,300
3(1)	4,300	National Lead	22,600	3(1)	1	36,000	Finance Companies	
5(3)	19,940	Otis Elevator	23,000	2(1)	2(1)	15,000	Associates Investment	2,000
1	1,500	Robertshaw-Fulton Controls	5,600	1	3(1)	69,315	Beneficial Finance	None
4(1)	17,210	Trane	None	None	3(1)	32,820	First Charter Financial	None
2	11,000	U. S. Gypsum	24,000	2(1)	4(1)	15,700	Great Western Financial	None
1	1,200	U. S. Pipe & Foundry	3,400	1(1)	2(2)	59,600	Heller (Walter E.)	None
2(1)	9,000	U. S. Plywood	7,500	1(1)	2(1)	7,500	Seaboard Finance	None
5(1)	54,650	Walter (Jim)	10,000	1(1)	1(1)	2,200	Talcott (James)	None
2(2)	53,000	Weyerhaeuser	10,600	2(1)	1(1)	4,300	C.I.T. Financial	14,600
1(1)	4,000	Yale & Towne	4,000	1			Pacific Finance	32,000
None	None	Flinkkote	30,443	2(1)	Food Products			
1	5,000	General Portland Cement	29,500	2(1)	5(3)	73,000	Armour	None
1(1)	40,000	Whirlpool	45,400	2(1)	1	3,000	Borden	10,500
Chemicals and Fertilizer								
2	11,100	Air Products	None	None	3(2)	10,040	Campbell Soup	7,200
2	21,000	Allied Chemical	None	None	1	1,900	Cuban-American Sugar	2,000
3	41,300	American Cyanamid	10,000	1(1)	2	1,700	General Foods	4,200
3(2)	35,000	American Potash & Chemical	5,500	2(2)	2	4,000	National Biscuit	None
2(2)	13,000	Columbian Carbon	13,700	1(1)	3	5,000	National Dairy Products	None
2(2)	26,600	Diamond Alkali	5,200	2(2)	2	24,400	Swift	35,000
5(1)	40,419*	Dow Chemical	34,922	5(4)	4(1)	18,700	Wilson	3,100
4(1)	18,900	duPont	16,300	3(1)	None	None	Beatrice Foods	2,400
2	3,900	Farbenfabriken Bayer (ADR)	10,000	1	None	None	Corn Products	31,600
2	14,690	Farbwerke Hoechst (DM 100)	None	None	1	24,000	Foremost Dairies	26,500
3(1)	17,400	Food Machinery & Chemical	8,700	2(2)	None	None	Heinz (H. J.)	28,800
2	107,200	Freeport Sulphur	13,000	2(1)			Kellogg	7,300
3(1)	12,500	Hooker Chemical	None	None	Glass			
4	11,700	Monsanto Chemical	31,296	2(1)	7(1)	32,200	Owens-Illinois Glass	76,500
2	25,800	Montecatini (ADR)	None	None	2	3,560	Pittsburgh Plate Glass	5,170
1	15,000	Olin Mathieson Chemical	20,000	1	3	6,150	Saint-Gobain	None
5(1)	44,400	Pennsalt Chemical	4,700	1	1	20,000	Libby-Owens-Ford	128,500
2	22,500	Potash Co. of America	None	None	2(1)	3,200	Owens-Corning Fiberglas	19,100
3(2)	3,860	Rohm & Haas	7,399	2	None	None	Thatcher Glass Mfg.	8,200
3	45,620	Stauffer Chemical	2,550	1(1)	Insurance—Fire & Casualty, etc.			
5(1)	12,900	Union Carbide	15,000	3(1)	1(1)	5,000	General Reinsurance	4,000
1(1)	4,000	U. S. Borax & Chemical	2,600	1(1)	1	1,000	Hartford Fire	5,000
1	9,000	Air Reduction	25,500	3(1)	1(1)	5,000	Maryland Casualty	3,900
3(2)	50,000	Eastman Kodak	36,500	7(2)	2(2)	30,400	New Amsterdam Casualty	None
1	16,570	Rayonier	38,400	2(1)	2(1)	18,500	U. S. Fidelity & Guaranty	7,000
					1	500	Continental Casualty	6,45

—Bought—			—Sold—	
No. of Mgt.	No. of Shares		No. of Shares	No. of Mgt.
Natural Gas				
2	10,000	Alberta Gas Trunkline "A"-----	None	None
1	1,000	American Natural Gas-----	1,000	1
3(1)	7,100	Arkansas Louisiana Gas-----	None	None
2(2)	67,500	Colorado Interstate Gas-----	19,200	2(1)
3	25,462	Lone Star Gas-----	None	None
2(2)	8,000	National Fuel Gas-----	None	None
2	43,000	Northern Natural Gas-----	96,300	2
1	500	Panhandle Eastern Pipe Line-----	5,000	1
3	5,100	Peoples Gas Light & Coke-----	51,400	1
2	11,000	Pioneer Natural Gas-----	None	None
2	12,000	Republic Natural Gas-----	8,900	1
2	8,100	United Gas-----	16,500	1
2(1)	30,800	Western Natural Gas-----	25,800	1
2	47,750	El Paso Natural Gas-----	34,300	3(3)
1	1,000	Tennessee Gas Transmission-----	97,000	3(2)
Office Equipment				
1	138	Addressograph-Multigraph-----	1,000	1
1	8,000	Moore Corp.-----	4,500	1(1)
6(3)	45,800	National Cash Register-----	1,000	1
4(2)	37,600	Pitney-Bowes-----	10,000	1
1	25,000	Burroughs-----	81,000	2(1)
None	None	Friden-----	8,178	2
3	2,000	IBM-----	14,950	10
Oil				
4(1)	21,700	Amerada Petroleum-----	None	None
5(5)	3,931	Apco Oil (units)-----	None	None
2(1)	65,565	Ashland Oil & Refining-----	None	None
4(1)	45,500	Atlantic Refining-----	79,300	2
2	9,300	Calgary & Edmonton-----	None	None
2(1)	139,267	Canadian Superior Oil of Cal.-----	None	None
2	4,200	Cities Service-----	1,000	1
2(2)	4,000	Coastal States Gas Producing-----	None	None
5(1)	75,500	Continental Oil-----	None	None
7(3)	282,806	Gulf Oil-----	216,840	4(1)
1(1)	10,000	Honolulu Oil-----	15,000	1(1)
3(1)	60,300	Louisiana Land & Exploration-----	22,300	1(1)
4	23,200	Ohio Oil-----	None	None
4(1)	47,900	Phillips Petroleum-----	2,000	1
2	37,000	Pure Oil-----	3,000	1(1)
4(1)	48,000	Royal Dutch Petroleum-----	22,000	2
2	3,500	Shamrock Oil & Gas-----	None	None
6	70,000	Sinclair Oil-----	35,000	1(1)
5(2)	26,500	Skelly Oil-----	4,500	1(1)
3(1)	63,700	Socony Mobil Oil-----	None	None
6(2)	163,200	Standard Oil of Calif.-----	105,000	3(1)
6	122,100	Standard Oil (Ind.)-----	41,800	3(2)
8(1)	73,288	Standard Oil (N. J.)-----	17,000	2
1	2,800	Standard Oil (Ohio)-----	3,100	1
5(1)	143,200	Sunray Mid-Continent Oil-----	None	None
7(1)	78,360	Texaco-----	13,595	2
2(1)	11,500	Texas Gulf Producing-----	47,700	2(2)
2(2)	28,500	Universal Oil Products-----	None	None
3(1)	70,000	Shell Oil-----	188,600	4(4)
Paper and Paper Products				
4(1)	54,276	International Paper-----	47,334	4(1)
2(1)	2,280	St. Regis Paper-----	None	None
2(1)	7,500	Standard Packaging-----	None	None
1(1)	31,000	Union Bag-Camp Paper-----	1,500	1(1)
None	None	Champion Paper & Fiber-----	175,000	2(1)
1	4,000	Container Corp. of America-----	28,500	3(2)
None	None	Crown-Zellerbach-----	10,500	2(1)
2	5,360	Kimberly-Clark-----	17,900	3(2)
None	None	Warren (S. D.)-----	32,000	3(1)
Public Utilities—Electric and Gas				
1	11,500	Allegheny Power System-----	1,500	1
1	1,000	Baltimore Gas & Electric-----	7,000	1(1)
2	6,000	Central & South West-----	5,000	1
2	11,300	Cincinnati Gas & Electric-----	None	None
2	30,697	Commonwealth Edison-----	None	None
6(4)	60,500	Consolidated Edison (N. Y.)-----	84,900	2(2)
1	500	Detroit Edison-----	3,500	1

Continued on page 26

Funds Active Stock Buyers As Market Neared New High

Continued from page 23

by only two managements) and General Electric (sold by 13 and bought by seven), an important element undoubtedly was the recent government anti-trust suit against these, and other electrical manufacturers and its aftermath of actual and potential damage suits. There were five net sellers each of RCA (six sellers vs. only one buyer), U. S. Steel (also six vs. one) and Middle South Utilities (five vs. none).

During the December quarter 1960, Phillips' Lamp Works, Minnesota Mining & Manufacturing and Middle South Utilities (in that order) met the most widespread profit-taking.

UNDISPUTED SELLING TARGET

During the initial quarter of 1961, Middle South Utilities, mentioned above, was the only stock sold by four or more managements, without any offsetting purchases.

ATTITUDE TOWARD FOREIGN SECURITIES

The interest in foreign stocks, already lively during the preceding quarters, broadened further in 1961, with new names appearing on the roster of holdings. Increased interest was shown in Unilever N. V. and in Hoogovens, the Dutch steel company; in Farben Bayer and Farbwerke Hoechst, and in Siemens & Halske. The Dreyfus Fund made an \$870,000 investment in Allianz Insurance Co. of Germany, while Investment Co. of America bought 9,000 shares (DM 100) of Badische Anilin. Niagara Share acquired an additional 5,000 shares of Imperial Chemical Industries of England, while the Value Line Fund disposed of its 8,000 Olivetti preferred. Saint-Gobain, the French maker of glass and chemicals, had an offering of rights which were exercised by Chemical Fund, Putnam Fund and Eurofund. Montecatini found additional buyers of its American shares in Chemical Fund and United Science Fund, the latter to the tune of 20,700 shares.

New names in investment company portfolios were Dresdner Bank, with the Stein Roe & Farnham Funds buying an initial 13,000 shares; Ericsson Telephone, of which Energy Fund (which termed Ericsson "in some ways a Swedish opposite number to Western Electric") and Axe B each newly purchased 10,000 shares; Photo Gevaert of Belgium;

Royal Netherlands Salt, the Dutch chemical company in which Energy Fund invested an initial \$160,000; Pechiney, the French producer of chemicals and aluminum, in which Energy Fund likewise made a new investment of about \$120,000; Peugeot, the French auto maker, with Investment Co. of America a first-time buyer of 13,000 shares; SIM, the investment subsidiary of the Suez Financial Company, of which Incorporated Investors bought an initial 12,000 shares; Swedish Ball Bearing (SKF), with Guardian Mutual and George Putnam each buying 500 shares and the New York Capital Fund 2,000 shares. Energy Fund also bought approximately \$100,000 of Sograp, a Sahara oil company under French Government sponsorship, while Lazard Fund sold out its 5,800 shares of Sidelor, the French steel maker. Finally, the Value Line Income Fund newly invested in 35,100 American shares of Telefonos de Mexico.

In the field of bonds, the George Putnam Fund bought \$1,000,000 and the Value Line Income Fund \$1.5 million, of ITT South America 7½s, 1977. The latter Fund now also shows among its fixed income securities \$1,008,985 face value of Mixed Claims Commission Award, U. S. and Germany, with a current value of \$411,163. On the other hand, the de Vegh Mutual Fund sold DM 1,500,000 Federal Republic of Germany 6s, 1975 and DM 1,000,000 German Federal Railways 6½s, 1972.

ATTITUDE TOWARD INDUSTRY GROUPS

The following analysis of portfolio changes, reflected in our tabulation, starting on page 23, of transactions in nearly 450 stock issues, is based on the number of managements buying or selling, not on the number of shares or the dollar amounts involved.

During the March quarter, fund managements favored aircraft, airline, bank, brewery and soft drink, building, finance company, non-ferrous metal, oil, retail trade and certain textile stocks. Also purchased to some extent were machinery and natural gas stocks.

A mixed attitude prevailed towards chemical, coal, container, drug, electrical, food, glass, insurance, office equipment, paper, publishing, railroad and railroad equipment, tire and rubber, steel, tobacco and utility stocks.

As in the preceding quarter, agricultural equipment stocks

were more heavily sold than bought.

Aside from preponderately non-cyclical groups such as the aircrafts, the banks and the finance companies, the funds' investment

Continued on page 27

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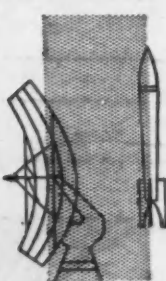
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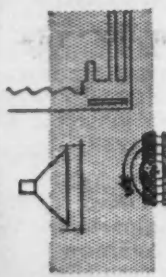
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Continued from page 25

—Bought—			—Sold—		Bought	No.	No.		No.	No.
No. of Mgts.	No. of Shares		No. of Shares	No. of Mgts.	No. of Mgts.	Shares		Shares	Mgts.	
2(1)	8,500	Florida Power	None	None	2(2)	25,500	Retail Trade	None	None	
4	53,500	Florida Power & Light	15,200	3(2)	3	23,400	Federated Department Stores..	5,000	2(1)	
3	30,000	General Public Utilities.....	4,000	2	3	17,800	Gimbel Bros.	2,500	2	
5(2)	113,000	Gulf States Utilities.....	None	None	2	15,000	Grant (W. T.).....	None	None	
2	2,600	Houston Lighting & Power.....	None	None	3(2)	16,954	Great A. & P.....	None	None	
1	900	Idaho Power	4,000	1(1)	2(2)	5,000	Korvette (E. J.).....	27,000	2(2)	
1	15,200	Illinois Power	22,500	1	2(2)	17,400	Kroger	53,600	2(1)	
2	6,700	Kansas City Power & Light.....	3,000	1(1)	3(1)	32,000	Safeway Stores	None	None	
1	500	Long Island Lighting.....	25,000	1	4(1)	20,400	Sears, Roebuck	16,225	2(2)	
3	7,800	N. Y. State Electric & Gas.....	13,000	2(2)	2(1)	59,600	Siegel	32,000	2(1)	
1	500	Niagara Mohawk Power	36,700	1	3	21,000	Stop & Shop	None	None	
2(2)	11,300	Oklahoma Gas & Electric.....	6,000	1	4	15,000	Woolworth (F. W.).....	None	None	
2	1,700	Public Service of Colorado.....	None	None	None	None	Dominion Stores	44,500	2(1)	
2(1)	6,500	Public Service Electric & Gas... Rochester Gas & Electric.....	57,100 14,300	2 1(1)			Rubber and Tire			
1	340	Shawinigan Water & Power.....	None	None	2(2)	9,000	Armstrong Rubber	2,500	1(1)	
2(2)	13,500	South Carolina Electric & Gas... Southern California Edison.....	500 4,120	1 3	2(1) 3(2)	28,000 62,000	General Tire & Rubber..... U. S. Rubber	10,500 None	2(1) None	
6	19,840	Southern Co.	15,600	3(3)	2(1)	109,350	Firestone	125,560	5(2)	
8(2)	129,091	Southwestern Public Service.....	15,000	2(2)	1	5,000	Goodrich (B. F.).....	184,500	3(3)	
2(1)	19,000	Tampa Electric	11,000	2	3	24,460	Goodyear	148,192	4(1)	
3(1)	23,400	Texas Utilities	18,000	4(2)			Steel and Iron			
4	15,000	American Electric Power.....	20,762	3(1)	2(2)	23,200	Allegheny Ludlum Steel.....	14,710	1(1)	
2	8,737	Cleveland Electric Illuminating Consumers Power	7,100 14,500	3(2) 3(3)	3	31,800	Armco Steel	10,000	1	
1	15,000	Middle South Utilities.....	59,500	5(2)	2	20,000	Carpenter Steel	None	None	
2(1)	6,000	Ohio Edison	14,000	2	2(1)	513,000	Hoogovens en Staal (fl 20 or equivalent).....	None	None	
None	None	Pacific Gas & Electric.....	4,300	3			Jones & Laughlin.....	14,000	1	
1	10,000	Virginia Electric & Power.....	8,200	2	4(2)	73,200	McLouth Steel	18,500	1	
					1(1)	5,000	Republic Steel	24,000	2(2)	
					4(1)	39,500	Signode Steel Strapping.....	1,360	1	
					1	160	Youngstown Sheet & Tube.....	25,000	2(1)	
					2(1)	14,800	Bethlehem Steel	152,500	4(3)	
					1	2,700	U. S. Steel	32,700	6(3)	
					1	37,000				
							Textile and Rayon			
							Bobbie Brooks	None	None	
							Burlington Industries	None	None	
							Celanese	32,000	1(1)	
							McGregor-Doniger	None	None	
							Stevens (J. P.).....	None	None	
							American Viscose	33,000	2(1)	
							Tobacco			
							Liggett & Myers	24,500	1	
							Lorillard (P.)	2,700	2(1)	
							Philip Morris	13,000	2	
							Reynolds Tobacco	5,100	3	
							American Tobacco	21,300	4(1)	
							Miscellaneous			
							American Chiclé	2,900	1(1)	
							American Express	14,000	2(2)	
							American-Marietta	2,500	1	
							Avon Products	None	None	
							Bruning (Charles)	3,000	1	
							Colgate-Palmolive	55,000	2(1)	
							Dun & Bradstreet.....	None	None	
							Gevaert (Photo Products).....	None	None	
							Gillette	15,000	1	
							Grace (W. R.).....	None	None	
							Halliburton	48,900	3	
							Hammond Organ	20,000	1	
							Hertz	35,500	2	
							Jostens "A"	None	None	
							Mergenthaler Linotype	5,000	1(1)	
							Minnesota Mining & Mfg.....	None	None	
							Newmont Mining	None	None	
							Newport News Shipbuilding.....	3,100	1(1)	
							Outboard Marine	171,000	2(1)	
							Polaroid	18,600	4(4)	
							Suburban Gas	None	None	
							Tennessee Corp.	51,200	2	
							Thermo King	None	None	
							Unilever N.V. (ADR or equiv.)	23,000	2(1)	
							Universal Match	11,500	2(2)	
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The foregoing tabulation also includes transactions by 8 investment companies (under 6 different managements) in addition to those shown in our tabulation "Balance Between Cash and Investments."

Purchases and sales by Massachusetts Investors Growth Stock Fund and by Wellington Fund included above and in our article are for December, 1960 through February, 1961.

Phila. Inv. Ass'n To Hold Outing

PHILADELPHIA, Pa.—The fifth annual outing of the Investment Association of Philadelphia will be held on Friday, June 9, 1961, at the Philadelphia Cricket Club, Flourtown, Pa. Herbert S. Bengtson, of Schmidt, Roberts & Parke, President, announced. A well-rounded program of events has been scheduled, including golf, tennis and a "stock exchange."

James P. Roberts, of Baker, Weeks & Co. will be in charge of the golf tournament and John P. Tunnell of Laird, Bissell & Meeds will be in charge of the tennis competition. Robert J. Caulfield of Equitable Securities Corporation will supervise the stock exchange.

Overall activities of the day will be supervised by William Rebmann of Laird, Bissell & Meeds, and Rudolph C. Sander of Butcher & Sherrerd as co-Chairmen of the Entertainment Committee.

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Funds Active Stock Buyers As Market Neared New High

Continued from page 25

policies during the March quarter suggest that considerable emphasis was placed on groups having promise of cyclical earnings recovery. Also significantly, transactions in utility stocks were deemphasized; our tabulation of utility stocks bought and sold during the March quarter shows 39 issues, as against 47 in December quarter of last year.

TRANSACTIONS IN THE FAVORED GROUPS

Aircrafts Flying High

Undoubtedly responding to President Kennedy's program of stepped-up military expenditures and two war scares (Laos, Cuba), the aircraft stocks were well bought. The leading issue was North American Aviation (with National Securities Stock buying 40,400 shares and Dreyfus 14,000 newly), followed by Lockheed (Delaware the largest buyer with an initial 30,000, and no seller of this issue) and United Aircraft (although MIT was a large seller here with 48,500).

Airlines in Fair Demand

Moderate interest was shown in American Airlines and Pan American, both being picked up by Mutual Investment Fund as the largest buyer. Another large buyer of the former was Dreyfus (15,500) and of the latter, Investment Co. of America (30,000 newly). The leading buyer of United Air Lines was Affiliated Fund (19,800), followed by Mutual Investment (8,000 newly).

Automotives Bought

While split opinion was displayed toward this group, the balance of portfolio transactions being tilted toward the buying side. In Ford the nine buying managements were led by Wellington which added 116,200 shares to its holdings. Initial Ford buyers included the Tri-Broad Street Group (44,000) and the Bullock Group (35,000). Dreyfus was another large buyer (30,000). On the other hand, Investment Co. of America closed out its 110,000 shares. Wellington was also the largest buyer of GM (261,000), followed by the Bullock Group (41,880). On the other hand, GM was closed out by Adams and A.I.C. (12,000); "Controversial" Chrysler was closed out by Axe A (1,000 shares) in the only transaction on record.

Banks Heavily Favored

Transactions in bank stocks were mostly on the buying side. Of the nine issues bought, the majority of five witnessed no off-setting selling at all, while the other four had only one seller each. Buying was best in Bank of America, of which Madison Fund and Scudder Common each bought 10,000 shares newly, while United Income Fund added 3,200. The United Funds Group also was the leading buyer of Continental Illinois National Bank (6,500).

Beverages Effervesce

As in the preceding quarter, investment demand for the two Cola stocks was quite pronounced. Coca-Cola was bought by seven fund managements under the leadership of George Putnam (18,000 newly); Pepsi-Cola had its largest buyers in Affiliated Fund (47,300) and the United Funds Group (34,200).

Constructive Attitude Toward Building Stocks

The best bought issues in this group were Trane and fast-rising Jim Walter. Of the latter, George Putnam was the largest buyer (24,850), joined by others, whereas Madison Fund closed out its 10,000 shares. Particularly large single purchases occurred in Diamond National, of which the United Funds Group bought 77,400 shares newly, joined by Dreyfus with an initial purchase of 18,500; and in Weyerhaeuser, with an initial 50,000-share purchase by Broad Street, although Consolidated Investment Trust disposed of its 10,000 shares.

Finance Companies Favored Again

Once again interest in finance company stocks was quite lively, even though formerly strongly favored C.I.T. Financial this time had more sellers than buyers. Best bought during the March quarter was Walter E. Heller, with good interest also in First Charter Financial and in Great Western Financial. Among sizable buyers of the two latter were Incorporated Investors and National Investors.

Machinery Stocks in Fair Demand

Buying outpaced selling in this far-flung group. Interest was relatively best in Joy Manufacturing, whose largest buyer was Dreyfus (19,800). Among the few issues in disfavor was again Allis-Chalmers, closed out by both

Energy Fund and Sovereign Investors.

Metal Stocks Cyclical Favorites

Although by no means as outspoken as in the preceding quarter, fund interest in aluminum stocks was fairly good. Star performer in this group again was Aluminum Ltd. Of this issue, Tri-Continental and its sister fund National Investors initially bought 50,000 shares each, and so did Madison Fund with 30,000 and United Continental with 10,000. Interest in the copper stocks was centered in Anaconda, Cerro and Phelps Dodge. In all three, Dreyfus was a heavy initial buyer, as it was in Kennecott. Activity in the nickel stocks leaned toward the buying side. Lazard Fund favored Falconbridge (which it bought) over International Nickel (of which it sold 14,500 shares). Another buyer of the former was Energy Fund (3,000 newly), and the leading buyer of the latter United Accumulative (10,900), although One William sold 15,000 shares. Interest in other metal stocks was led by American Metal Climax, one of the best bought of all issues during the March quarter. Largest single buyers of this stock were the United Funds Group (81,500) and the Bullock Group (50,000 newly).

Natural Gas Meets Fair Demands

Interest in natural gas stocks was spread over a wide number of companies, led as to net buying interest by Arkansas Louisiana Gas, Colorado Interstate Gas (of which Massachusetts Investors Growth Stock bought 65,900 shares newly) and Lone Star Gas. As in the preceding quarter, El Paso Natural Gas remained in the sold-on-balance category, notwithstanding the purchase of 37,500 shares by United Accumulative Fund.

Oils to the Fore

While not quite as enthusiastic as in the final quarter of 1960, interest in the relatively deflated oil stocks continued strong. While in the preceding quarter Continental Oil was not only the best bought oil stock but also the best bought of any stocks, it was out-ranked this time by Standard Oil (N.J.), whose eight buyers were led by United Accumulative Fund (28,888) and Tri (23,000), whereas a 15,000-share reduction in this issue represented one of the sparse portfolio transactions of U.S. & Foreign. Good buying interest was also expressed in Continental Oil, Sinclair Oil, Sunray and Texaco. Largest buyer of Continental was Wellington (57,800); of Sinclair, the United Funds Group (28,000), although Affiliated Fund sold its 35,000 shares. Of Sunray Mid-Continent, the United Funds Group added on 73,000 shares, Affiliated 30,900 and Selected American 21,000, while Value Line Income Fund made an initial purchase of 12,300. Most of the aforementioned funds were also buyers of Texaco, including Wellington with 31,700 shares. Particularly large were the transactions in Gulf Oil, in which Wellington led the buyers with 187,301 shares, whereas Fundamental Investors sold all its 100,000 shares and Affiliated Fund reduced its interest by 98,100 shares; and in Standard Oil of California where State Street led the buyers with 45,000 shares newly, and MIT the sellers with 100,000 shares. Of Shell Oil, the United Funds Group was the largest buyer (64,000) and Wellington the largest seller (all 126,000), followed by Lazard (all 35,000).

Retailers Meet Fair Demand

Best bought stock in this group once again was Woolworth, whose four buyers were led by the Eaton

& Howard Group (5,000). A new name in fund portfolios was Automatic Retailers of America, in which stock Delaware Fund invested an initial 25,000 shares.

Anticipatory Interest In Textiles

Excepting Bobbie Brooks (which was bought by three managements and sold by none), current earnings in this group gave little cheer to buyers of their stocks. Rather, it must have been anticipation of a cyclical earnings comeback which prompted Investment Co. of America to make a new investment in Burlington Industries to the tune of 100,000 shares. American Viscose, on which opinion was divided during the preceding quarter, had two sellers (Delaware and Eaton & Howard Stock) this time, without any even partly offsetting buyer.

DISFAVORED GROUP Agricultural Equipments More Sold Than Bought

As in the preceding quarter, selling clearly outweighed any buying of Deere. Of this stock, Nation-Wide Securities in the Bullock Group closed out its 10,000 shares, as did Adams Express-AIC with its 8,343 shares and Overseas Securities with its 1,545 shares. Of International Harvester, National Securities Stock and One William Street were the larger sellers, with 26,900 and 25,000 (all), respectively.

GROUPS MEETING MIXED REACTION

Opinion Divided on Chemicals

While the chemicals encountered a somewhat mixed attitude, nevertheless buyers outweighed sellers in this far-flung and complex group. Among the favored chemicals, Pennsalt led with five buyers and only one seller, the largest buyer being United Science Fund (21,200). Of duPont, Chemical Fund bought 10,000 shares, and Madison Fund 5,000 newly, while Wellington sold 11,500 and Lazard 3,800. Lazard switched over to Dow Chemical, with an initial purchase of 15,000 shares, while Chemical Fund converted its Dow bonds into 19,019 shares. The largest sellers of Dow were Selected American (all 14,280) and Consolidated Investment Trust (all 13,214). Particularly large transactions took place in Freepot Sulphur, of which Wellington added 93,600 shares and Affiliated Fund 13,600. Sellers outnumbered buyers in Eastman Kodak, although the buyers included National Investors and Lehman with new acquisitions of 20,000 shares each; a 20,000 share reduction was made by Fundamental Investors.

Containers Mixed

Buyers outnumbered sellers in American Can and Continental Can, although of the latter there was a particularly large sale in form of a 55,000 share close-out by MIT.

Drugs Meet Divergent Opinion

Best bought in this group was Rexall, whose six buyers included Massachusetts Life Fund with 12,000 shares (newly) and United Accumulative with 11,400. Mead Johnson emerged from the sold-on-balance category and was picked up by five managements while sold by only two. Merck remained more sold than bought its sellers included Dreyfus (all 2,700), Johnston (all 1,500) and Lazard (5,000).

Electronics Under Conflicting Influences

No single group was exposed to such conflicting influences as were the electricals and electronics during the initial quarter of 1961. Interest was running

high in such issues as ITT and Sperry Rand. In fact, ITT became the best bought of any stocks during the period, with nine fund managements buying it and none selling. Its largest buyers were the United Funds Group (28,000), George Putnam (21,000 newly), and Lehman (15,000 newly).

Continued on page 28



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Funds Active Stock Buyers As Market Neared New High

Continued from page 27

ly). Largest buyer of Sperry Rand was National Investors, with a new commitment of 69,200, although Selected American disposed of its 22,600 shares.

However, buying in this group was matched by considerable selling, either for reasons of profit-taking or because of the anti-trust suit developments referred to earlier in this article. In General Electric, 13 selling managements outnumbered seven buying managements. Largest sellers of GE were Tri-Continental (all 40,000), Wellington (30,000) and Adams Express-AIC (all 36,900). Significantly, however, there was a goodly number of funds willing to disregard current and near-by developments and to concentrate on longer term, intrinsic values. In fact, Lazard made an initial commitment of 30,000 shares in GE, while the two de Vegh funds newly bought 9,000 shares and Overseas Securities 1,000 shares. Similarly, of Westinghouse, Tri-Continental sold 50,000 shares, keeping, however, another 50,000 shares; whereas, in the same group, Broad Street disposed of its 33,000 shares and Whitehall of its 2,000 shares. Madison Fund closed out its 20,000 shares and the Stein Roe & Farnham funds their 17,000 shares. On the other hand, the Bullock group bought 35,300 shares of Westinghouse and Lazard 20,000 newly. Profit-taking initiated during the December quarter in Philips' Lamp Works carried over into the March quarter, with none of the sellers, however, disposing of all their holdings. Largest seller of this issue was George Putnam (15,000),

largest buyer, Lazard (3,400). Opinion remained definitely unfavorable towards RCA. Here a particularly large sale came from the United Funds Group (84,660), joined by Affiliated (26,900), Lazard (20,400) and Selected American (11,916).

Appetite for Foods Mixed

As in the preceding quarter, opinion was favorable on meat packers; in fact, Armour was the best-bought food stock, due in part to a 37,000-share purchase by Fundamental Investors. Corn Products this time was more sold than bought, with the largest sale coming from the United Funds Group (20,000), although Wellington added 29,000 shares to its holdings.

Split Opinion on Glass

Buyers well outnumbered sellers of Owen-Illinois Glass and were led by Investment Co. of America (12,000) and Lazard (10,000 newly), although M. I. T. sold out its 30,000. Chemical Fund its 20,000 and Dividend Shares its 11,200 shares. As pointed out above, there was unanimity on the part of the holders of French-based Saint-Gobain in exercising their rights. Opinion turned against Libbey-Owens-Ford, with particularly large sales from the Tri-Group (59,000) and from M. I. T. (49,500).

Divergent Opinions on Insurance

A new insurance name in fund portfolios is New Amsterdam Casualty of which United Corp. bought 15,400 shares initially and United Income Fund 15,000. There was renewed interest in Jefferson Standard Life, coming also from United Corp. and furthermore from the Value Line funds. In Travelers, M. I. T. made an initial investment of 35,000 shares, while One William led the three sellers with a close-out of 30,000 shares. Aetna Life had large transactions both on the buying and on the selling side; the largest buyer was M. I. T. (50,000 newly), the largest seller George Putnam (all 27,000).

Cross-Currents in Office Equipment

This group, actually a part of the electronics industry, was both bought and sold during the quarter. The star performer was National Cash Register, of which George Putnam newly bought 20,000 shares, while the Scudder Group added 11,500 and Lehman 7,500. Opinion was also favorable on Pitney-Bowes, of which Dreyfus was the largest buyer (13,000 newly), while One William was the only seller (10,000). As discussed earlier in this article, substantial profit-taking (but not a single close-out) occurred in IBM. Its largest sellers were Lazard (4,200) and Wellington (4,050); the largest of its few buyers was United Accumulated Fund (1,000).

Papers Mixed, Largely Disfavored

Buyers balanced sellers in International Paper. The largest buyers were United Accumulated (37,576) and Lazard (14,500), the largest sellers the Eaton & Howard Group (27,920) and Massachusetts Life (all 15,300). Selling unaccompanied by buying came into Champion Paper (of which M. I. T. sold out its 135,000 shares, while the Lehman-One William Group sold 40,000 shares), and into Container Corp. (of which Selected American was the largest seller, with a close-out of its 17,000 shares).

Lessened Interest in Utilities

Reflecting some investors' skepticism regarding their function as an anti-inflation hedge, transactions in utilities stocks receded in volume. There were, however, notable exceptions. A. T. & T., of course, was bought widely, to a large extent through the exercise of rights; with Wellington the largest buyer (37,360). Profit-taking in ATT was engaged in by six funds, but significantly without a single close-out. The largest sellers were Investment Co. of America (15,000), State Street (5,160) and Selected American (5,000). Also well bought were Consolidated Edison, Gulf States Utilities and Southern Co. Largest buyer of Consolidated Edison was United Income Fund (23,000 newly), although Wellington disposed of its 80,000 shares. The largest purchase of Gulf States Utilities came from the Eaton & Howard Group (42,000 newly) and from M. I. T. (40,000). M. I. T. and M. I. G. acquired 50,000 shares of Southern Co., joined therein by the Broad Street Group (33,100) and others. Opinion remained unfavorable on Middle South Utilities, which found no buyers while its five sellers were led by Broad Street (all 50,000). Likewise, the attitude toward General Telephone & Electronics remained adverse, as evidenced by a close-out of 84,000 shares by United Accumulated and the sale of 15,000 by General Public Service.

Fashion Change in Publishing Stocks

During the December quarter of 1960 there was a great liking for new publishing stocks, many of which had just come on the market for the first time. During the March quarter of the current year considerable profit-taking crept into this group, while interest, at least in part, turned to still newer names. This was the case particularly with Howard W. Sams and Pocket Books. Buyers of the former included the Lehman-One William Street Group (35,000 newly); and of the latter, United Continental (5,000 newly), while Madison Fund first bought, then sold 2,000 shares.

Rails Still Mixed

Expectation in some quarters of better earnings to come as well as of benefits from mergers failed to carry conviction in other quarters. Best liked rail was Southern Pacific, of which Investment Co. of America was the largest buyer (20,000). Least liked were C & O and B & O. Of C & O, Selected American was the largest seller (all 15,000), as it was of B & O (all 30,000).

Conflicting Opinion on Rail Equipments

Surprisingly large interest turned to ACF Industries, perhaps on hopes of cyclical earnings recovery and in recognition of the stabilizing element of earnings from car leasing. Largest buyer of ACF was Madison (15,000 newly). But of Pullman, MIT sold all its 139,700 shares.

Ambivalence Regarding Tire Stocks

As has been most often the case, opinion was split on rubber and tire stocks. The relatively best liked stock in this group was U. S. Rubber, of which the United Funds Group was the largest buyer (49,000), joined by Diversified Investment Fund (12,000 newly) and Guardian (1,000 newly), without a single seller. Considerable selling appeared in Firestone, Goodrich and Goodyear. Of Firestone, Wellington closed out its 74,460 shares and Lazard its 40,000 shares, although United Accumulated initially bought 83,900 shares and Chemical Fund added 25,450. A huge sale of Goodrich was represented by a 145,000-

share close-out on the part of MIT and a similar sale of 19,500 shares by One William. Of Good-year, MIT sold 105,148 shares and One William 36,424, whereas United Accumulated bought 23,500 shares.

Steels Mixed

Opinion remained divided in this key group, as the operating rate began to improve slowly. Best liked was Jones & Laughlin, where four buying managements included the Tri Group with 56,400 shares, and the sole seller was Lazard with 14,000. Sellers outnumbered buyers in Bethlehem, where the Tri Group sold 124,200 shares and Delaware Fund closed out its 14,300 shares. Of U. S. Steel, Investment Co. of America and State Street were the leading sellers with 10,000 shares each, whereas Wellington Fund was a lonely buyer of 37,000 shares.

Opinion Divided on Tobaccos

In this group the best liked issue was Reynolds Tobacco, although by no means unanimously so. Largest buyer was Fundamental (12,000), a fairly large seller Nation-Wide (3,200). There were more sellers than buyers of American Tobacco, the former being led by Mutual Investment Fund (all 8,000) and the latter by Madison (5,000).

Miscellaneous

There was good demand for W. R. Grace, with five buyers and no sellers. The buyers included Wellington (102,000 newly), the United Funds Group (47,400), Delaware (25,000 newly) and Madison (14,000 newly). Also liked were Gillette, Newmont Mining and Thermo King. Opinion was divided on Outboard Marine and Polaroid. But of the latter, buyers well outnumbered sellers and were led by MIT (10,000) and, as so often, Dreyfus (7,500); the largest sellers were Niagara Share (all 10,000) and Lehman (all 5,000). The largest buyer of Dun & Bradstreet was Massachusetts Investors Growth Stock with 56,200 shares (newly).

Stocks in which only one transaction took place included the following: American & Foreign Power, in which Dreyfus made an initial investment of 48,000 shares; Pennsylvania Railroad, of which de Vegh Mutual newly bought 25,000 shares; Southern Natural Gas of which the United Funds Group bought an additional 70,000 shares; Trans World Air Lines, with Dreyfus buying 27,000 shares; Texas Gulf Sulphur, of which the Tri-Broad Street Group newly bought 103,000 shares; Union Pacific, with MIT buying 35,000 shares; Wheeling Steel, where National Securities Stock acquired 12,900 shares; embattled Allegheny Corp., of which Overseas Securities closed out its holding of 2,000 shares; Adams Express, of which its affiliate American International reduced its own holding by 3,600 shares; Sheraton, with MIG a seller of 41,967 shares; Time, Inc., in which the Eaton & Howard Group sold all its 24,000 shares; Transamerica, with Wellington selling 59,000 shares; Union Oil of California, where United Accumulated Fund added 22,872 shares; and U. S. Life Insurance, the target of a 43,751-share close-out by Wellington Fund.

Filor, Bullard & Smyth Appoint N. Cuneo

Filor, Bullard & Smyth, 26 Broadway, New York City, members of the New York Stock Exchange, have announced that Nicholas F. Cuneo is now associated with their firm as Assistant Manager of the Account Executive Dept.

Welch Scientific Stock Offered

Hornblower & Weeks is manager of a group of 87 investment banking firms which offered publicly on May 9 at \$28 per share a total 545,000 common shares \$1 par of The Welch Scientific Co.

Of the 545,000 common shares, 176,000 are being sold by the company and 369,000 are being sold by certain shareholders. The company will receive proceeds only from the sale of the 176,000 shares and will add these proceeds to its working funds to be used for the payment of short-term borrowings from banks of about \$900,000, for retirement of a seven year 5½% bank loan of \$2,430,000 and for the financing of inventory and accounts receivable.

The company has two principal operating departments, the scientific department handling scientific equipment, laboratory apparatus and supplies, and the graphic arts department, which produces diplomas and educational charts. The scientific department accounted for approximately 90% of the company's sales in 1960.

Net sales of the company in 1960 amounted to \$19,481,089 and net earnings to \$2,041,437, equal to \$1.26 per share on 1,624,000 shares outstanding prior to the offering. This compares with net sales of \$13,522,780 and net earnings of \$1,123,405, or 69 cents per share on the same number of shares, in 1959.

Chicago Bond Club Schedules Events

CHICAGO, Ill.—The Bond Club of Chicago will have a luncheon meeting May 18 at the Blackstone Hotel. Stanley Surrey will address the group on "Some Thoughts on the Tax Scene."

The Club has also announced its Annual Outing to be held at Knollwood on Friday, June 2.

Named Director

Seaboard Finance Company announced the election of Herman H. Kahn as a director. Mr. Kahn, a partner in the investment banking firm of Lehman Brothers, serves on the Boards of Allied Stores Corp., Avco Corp., Dayco Corp., Fruehauf Trailer Company, KVP Sutherland Paper Co., Microwave Associates, Inc., and other major corporations.

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Balance Between Cash and Investments by 88 Investment Companies (With Aggregate Net Assets of \$15.5 Billion) 3-31-61 vs. 12-31-60

Security Transactions by the 88 Investment Companies During January-March, 1961

Open-End Balanced Funds:	Net Cash & Governments† Thousands of Dollars		Net Cash & Governments† Percent of Net Assets		Investment Bonds and Preferred Stocks* Percent of Net Assets		Com. Stocks and Lower Grade Bonds & Pfd. Percent of Net Assets		(In Thousands of Dollars)					
	End of		End of		End of		End of		End of		Portfolio Securities Other than Governments		Of this: Portfolio Common Stocks	
	Dec.	Mar.	Dec.	Mar.	Dec.	Mar.	Dec.	Mar.	Dec.	Mar.	Total Purchases††	Total Sales**	Total Purchases††	Total Sales**
American Business Shares.....	4,137	4,145	16.1	15.1	29.3	29.3	54.6	55.6	498	950	None	406		
Axe-Houghton Fund A.....	5,458	1,678	11.7	3.3	27.5	36.2	60.8	60.5	3,258	237	3,156	221		
Axe-Houghton Fund B.....	7,364	7,252	4.9	4.3	24.3	28.8	70.8	66.9	3,609	1,671	2,048	1,246		
Axe-Houghton Stock Fund.....	73	---	1.0	---	25.8	22.8	73.2	77.3	500	35	500	24		
Axe Science & Electronics.....	4,099	N.A.	21.1	N.A.	9.2	N.A.	69.7	N.A.	N.A.	N.A.	N.A.	N.A.		
Boston Fund.....	4,228	2,027	1.7	0.7	42.1	38.4	56.2	60.9	9,706	5,385	5,602	3,280		
Broad Street Investing.....	2,232	1,579	1.1	0.7	11.9	10.3	87.0	89.0	13,654	11,305	12,439	7,757		
Commonwealth Investment.....	13,742	15,258	9.0	9.4	29.7	28.0	61.3	62.6	7,397	9,418	3,035	5,388		
Diversified Investment Fund.....	1,823	1,799	1.9	1.7	30.8	28.7	67.3	69.6	2,996	2,909	1,584	2,204		
Dodge & Cox Fund.....	272	336	3.7	4.0	25.3	24.1	71.0	71.9	512	418	412	333		
Eaton & Howard Balanced Fund.....	27,721	29,273	13.8	13.7	20.7	19.6	65.6	66.7	3,640	5,806	1,655	5,303		
Fund of America (b).....	269	283	14.2	13.8	13.6	13.1	72.2	73.1	61	80	61	80		
General Investors Trust.....	2,095	1,950	16.0	13.5	23.5	22.0	60.5	64.4	1,132	345	1,132	343		
Group Securities—Fully Admin. Fund.....	505	302	4.5	2.5	21.9	20.9	73.6	76.6	None	None	None	None		
Institutional Foundation Fund.....	1,552	N.A.	4.1	N.A.	18.2	N.A.	77.6	N.A.	N.A.	N.A.	N.A.	N.A.		
Investors Mutual.....	N.A.	22,480	N.A.	1.3	N.A.	33.2	N.A.	65.5	N.A.	N.A.	N.A.	N.A.		
Johnston Mutual Fund.....	1,962	2,280	11.8	10.7	9.1	12.9	79.1	76.4	4,328	2,496	2,961	2,264		
Knickerbocker Fund.....	284	164	2.3	1.2	5.3	7.2	92.4	91.6	510	663	510	660		
Loomis-Sayles Mutual Fund.....	9,743	N.A.	12.0	N.A.	18.1	N.A.	69.9	N.A.	N.A.	N.A.	N.A.	N.A.		
Massachusetts Life Fund.....	5,434	5,432	8.5	7.7	32.4	27.5	59.1	64.8	3,452	2,004	3,452	1,012		
Mutual Investment Fund.....	1,686	1,022	5.4	2.8	18.8	11.3	75.8	85.9	5,130	3,801	3,888	2,014		
National Securities—Income.....	1,207	3,624	1.6	4.4	15.0	15.5	83.4	80.1	3,083	4,112	1,205	3,776		
Nation-Wide Securities.....	3,274	4,434	9.0	11.0	28.5	26.8	62.4	62.2	1,689	3,317	1,310	3,098		
New England Fund.....	3,440	3,512	19.7	18.8	19.2	18.5	61.1	62.7	821	973	691	973		
Putnam (George) Fund.....	9,995	13,863	4.5	5.4	21.9	20.4	73.6	74.2	17,513	12,882	8,896	9,347		
Scudder, Stevens & Clark Fund.....	4,191	4,727	5.4	5.6	26.8	24.6	67.8	69.8	4,275	3,549	1,664	1,131		
Shareholders' Trust of Boston.....	2,853	3,290	6.2	6.2	36.3	28.8	57.6	65.0	9,043	6,837	7,222	2,406		
Stein Roe & Farnham Balanced Fund.....	7,330	6,551	14.5	11.0	23.9	20.9	61.6	68.1	6,831	1,625	6,831	1,625		
Value Line Fund.....	649	153	7.8	1.6	3.5	1.1	88.7	97.3	1,962	1,894	1,962	1,686		
Value Line Income Fund.....	5,417	6,110	6.8	6.9	2.8	8.4	90.4	84.7	9,525	11,637	2,715	10,477		
Wellington Fund.....	120,183	110,834	10.6	8.7	26.5	a25.7	62.9	a65.1	93,894	56,432	75,954	46,543		
Whitehall Fund.....	137	242	1.2	1.9	47.2	44.7	51.6	53.4	763	856	410	560		
Sub-Total Open-End Bal. Funds.....	253,355	254,600	8.0	6.7	22.6	22.3	69.3	71.0	209,782	151,637	151,295	114,157		
Open-End Stock Funds:														
Aberdeen Fund.....	330	447	1.9	2.2	None	None	98.1	97.8	497	156	497	156		
Affiliated Fund.....	71,615	76,525	11.3	10.5	0.3	0.2	88.4	89.3	24,127	18,577	24,127	18,459		
Blue Ridge Mutual Fund.....	4,084	2,429	12.1	6.5	None	None	87.9	93.5	2,073	1,464	2,073	1,464		
Bullock Fund.....	7,294	8,431	12.5	12.4	None	None	87.5	87.6	4,302	3,960	4,302	3,960		
Chemical Fund.....	5,449	1,777	2.0	0.6	1.0	1.4	97.0	98.0	14,240	10,833	11,750	10,725		
Delaware Fund.....	9,464	6,760	9.4	5.6	4.8	6.8	85.8	87.6	18,387	13,644	15,199	12,887		
de Vegh Mutual Fund.....	23	277	0.1	1.2	6.0	2.6	93.9	96.2	5,611	5,783	5,611	5,200		
Dividend Shares.....	24,992	27,726	9.0	9.1	None	None	91.0	90.9	8,971	13,799	8,971	13,799		
Dreyfus Fund.....	29,019	17,014	17.0	7.9	None	None	83.0	92.1	33,608	3,037	33,608	3,037		
Eaton & Howard Stock Fund.....	16,891	19,279	10.1	10.3	None	None	89.9	89.7	12,213	8,881	5,342	7,881		
Energy Fund.....	152	946	1.0	4.6	None	None	99.0	95.4	4,689	2,989	4,689	2,980		
Fidelity Fund.....	35,148	N.A.	8.9	N.A.	7.3	N.A.	83.8	N.A.	N.A.	N.A.	N.A.	N.A.		
Fundamental Investors.....	11,500	10,357	1.9	1.5	0.1	0.1	98.0	98.4	18,888	17,417	18,888	17,417		
General Capital Corp.....	88	70	0.4	0.3	None	None	99.6	99.7	0.1	180	0.1	180		
Group Securities—Com. Stock Fund.....	896	c7,297	1.2	c5.2	None	None	98.8	c94.8	10,267	6,257	10,267	6,257		
Guardian Mutual Fund.....	2,568	2,187	24.1	15.5	2.3	2.1	73.6	82.4	3,615	1,483	3,589	1,483		
Incorporated Investors.....	41,170	23,863	13.7	7.2	3.8	3.7	82.4	89.1	14,735	3,695	14,735	3,437		
Institutional Investors Mutual Fund§§	2,728	2,763	4.8	4.2	None	None	95.2	95.8	3,134	903	3,134	903		
Investment Co. of America.....	46,569	52,259	24.6	24.1	0.9	0.8	74.5	75.1	20,380	19,482	20,275	19,013		
Investment Trust of Boston.....	---	---	---	---	\$2.5	\$3.3	\$95.2	\$95.6	2,230	2,493	2,230	2,493		
Lazard Fund.....	9,743	16,175	7.8	12.4	None	None	92.2	87.6	N.A.	N.A.	N.A.	N.A.		
Massachusetts Investors Trust.....	6,063	28,430	0.4	1.7	None	None	99.6	98.3	36,314	45,344	36,314	45,344		
Massachusetts Investors Growth Stk.....	17,028	17,048	4.2	3.5	None	None	95.8	96.5	19,310	19,838	19,310	19,838		
National Investors.....	5,196	2,605	2.8	1.1	1.1	0.8	96.1	98.1	20,282	3,120	20,282	3,093		
National Securities—Stock.....	3,119	9,132	1.7	4.3	None	None	98.3	95.7	9,546	10,703	9,546	10,703		
One William Street.....	12,626	14,600	4.7	5.0	None	None	95.3	95.0	6,702	19,639	6,702	19,639		
Pine Street Fund.....	1,432	1,942	7.9	9.5	3.7	3.7	88.3	86.8	1,024	1,466	1,024	1,466		
Pioneer Fund.....	794	1,449	1.9	3.1	15.9	15.7	82.2	81.2	N.A.	N.A.	N.A.	N.A.		
Price (T. Rowe) Growth Stock.....	5,136	7,304	12.9	15.0	0.5	0.6	86.6	84.4	5,000	3,002	5,000	3,002		
Scudder, Stevens & Clark—Com. Stk.....	1,317	1,042	3.5	2.4	None	None	96.5	97.6	2,748	810	2,748	810		
Selected American Shares.....	7,886	1,721	7.6	1.5	1.3	0.8	91.1	97.7	18,428	13,365	18,428	12,857		
Sovereign Investors.....	57	24	0.5	0.6	4.0	4.3	95.5	95.1	232	291	232	291		
State Street Investment.....	17,061	26,472	8.6	12.1	N.A.	0.7	N.A.	87.2	4,629	16,896	4,629	16,896		
Stein Roe & Farnham—Stock Fund.....	1,319	943	8.3	4.4	None	None	91.7	95.6	5,113	1,363	5,113	1,363		
Texas Fund.....	602	459	1.6	1.1	0.3	None	98.1	98.9	751	963	751	963		
United Accumulative Fund.....	31,586	20,743	7.6	4.3	4.7	1.8	87.7	93.9	63,268	16,286	63,267	16,123		
United Continental Fund.....	2,103	1,853	4.8	3.5	1.4	0.4	93.8	96.1	6,153	3,623	6,052	3,623		
United Income Fund.....	12,060	9,801	4.6	3.0	1.5.									

STATE OF TRADE AND INDUSTRY

Continued from page 9

come the nation's seventh and eighth producers.

Both companies have several things in common: (1) Ownership of independent aluminum fabricators. (2) Rapid growth over the last few years. (3) Wide diversification. (4) Good reputations and aggressive managements.

Car Production for Week Goes 10.5% Over Last Week's Volume

More new cars were assembled this week by U. S. auto manufacturers than in any other week of the year thus far, *Ward's Automotive Reports* said.

Ward's tabulations totaled the week's new passenger car production at 126,348 units for a 10.5% gain over last week's 114,378 units, but fell 11.1% short of the 142,091 cars produced during the same week of 1960. The previous high in car production this year was recorded during the third week in April when 124,459 units were built.

According to the statistical agency, the 126,348 cars turned out this week were shared by the five major auto makers as follows: General Motors, 47.7%; Ford Motor Co., 32.1%; Chrysler Corp., 12.3%; American Motors, 6.7%; and Studebaker-Packard Corp., 1.2%.

Ward's said that 24,174 trucks were built this week, compared with 24,617 units last week and 28,972 during the same year-ago week.

Only a strike at one location marred an otherwise evenly paced week as all other industry plants followed five-day routines for car manufacturing, *Ward's* said. The exception was GM's Buick-Oldsmobile-Pontiac facility at Linden, N. J., which was idled by a strike beginning Monday, May 1. One car make, Imperial, having just moved into the Jefferson Avenue, Detroit, plant alongside Chrysler, was not expected to reactivate assembly until next week.

Ward's noted that although the company's plants were all on five-day schedules, Ford Motor Co. went into overtime at six sites in behalf of Falcon, Comet and truck making. Ford's Atlanta and San Jose, Calif., plants worked nine-hour shifts, Lorain, Ohio, and Metuchen, N. J., put in two 10-hour shifts daily and Ford's Louisville and Mahwah, N. J., plants slated nine hours a day for truck manufacture. Another nine hours per day operation was at International Harvester's Fort Wayne, Ind., works.

Intercity Truck Tonnage Was 2.7% Below Corresponding 1960 Week

Intercity truck tonnage in the week ended April 29, was 2.7% below that of the corresponding week of 1960, the American Trucking Associations, Inc., announced. Truck tonnage was 4.7% ahead of the volume for the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

The terminal survey for last week showed increased tonnage over a year ago in 11 localities. Twenty-three points reflected decreased tonnage from the 1960 level. Truck terminals at Minneapolis-St. Paul and Dallas-Fort Worth showed the largest year-to-year gains—12.1% and 11.9%, respectively. Cleveland and Detroit terminals registered the greatest decreases, trailing last year's traffic by 14.3% and 13.1%, respectively. Three other trucking centers showed year-to-year decreases of 10% or more.

Compared to the preceding week, 31 metropolitan areas registered increased tonnage, while only three areas showed decreases. Boston terminals reflected the largest gain, an over-all week-to-week increase of an even 10%.

Business Failures Rise in Latest Week Ended May 4

Commercial and industrial failures rose to 399 in the week ended May 4 from 369 in the prior week, reports Dun & Bradstreet, Inc. This total was well over the 327 of the similar week last year and the 265 of the comparable 1959 period. There was an increase of nearly 42% from the pre-war 1939 toll of 281.

Failures involving liabilities under \$100,000 rose appreciably to 349 from 327 a week earlier and 299 a year ago. There was a moderate increase among large casualties, those with losses in excess of \$100,000 to 50 from 42 in the preceding week, and they were sharply over the 28 in this size group a year ago.

Casualties increased during the week in four of the five broad industry and trade groups, with the toll among manufacturers rising to 66 from 62, among wholesalers to 43 from 35, among retailers to 191 from 187, and among construction contractors to 73 from 59. Failures in commercial service remained at 26, the same as a week earlier. The total was higher than the similar 1960 week in all groups, except commercial services where a fractional decrease occurred.

All but three of the nine major regions reported higher tolls during the week. Casualties rose most noticeably in Middle Atlantic States, up to 121 from 108, in the East North Central States, up to 72 from 62, and in the South Atlantic States, up to 54 from 46. In contrast, failures in the Mountain States held steady at 12, and those in the Pacific States dipped to 69 from 83 and in the East South Central region they were down to 12 from 15. More businesses failed than a year ago in all except two regions, the New England and Pacific States.

Canadian failures dipped noticeably to 26 from the week earlier 40 and they were well below the year ago 37.

Electric Output 5.3% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, May 6, was estimated at 14,206,000,000 kwh., according to the Edison Electric Institute. Output was 48,000,000 kwh. below that of the previous week's total of 14,254,000,000 kwh. and 711,000,000 kwh., or 5.3% above that of the comparable 1960 week.

Lumber Shipments Were 1.7% Ahead of 1960 Volume

Lumber production in the United States in the week ended April 29, totaled 237,832,000 board feet, compared with 233,426,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 253,474,000 board feet.

Compared with 1960 levels, output declined 6.2%, shipments were up 1.7%, and orders rose 0.1%.

Following are the figures in thousands of board feet for the weeks indicated:

	April 29, 1961	April 22, 1961	April 30, 1960
Production	237,832	233,426	253,474
New orders	244,618	228,431	244,402
Shipments	263,394	251,109	258,887

Freight Car Loadings for Week Show an Increase of 2% Above Preceding Week

Loading of revenue freight in the week ended April 29, 1961, totaled 544,356 cars, the Association of American Railroads an-

nounced. This was an increase of 10,921 cars or 2% above the preceding week.

The loadings represented a decrease of 98,972 cars or 15.4% below the corresponding week in 1960, and a decrease of 131,838 cars or 19.5% below the corresponding week in 1959.

There were 11,523 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended April 22, 1961 (which were included in that week's over-all total). This was an increase of 1,177 cars or 11.4% above the corresponding week of 1960 and an increase of 3,591 cars or 45.3% above the 1959 week.

Cumulative piggyback loadings for the first 16 weeks of 1961 totaled 168,461 for an increase of 2,557 cars or 1.5% above the corresponding period of 1960 and 51,458 cars or 44% above the corresponding period in 1959. There were 58 class I U. S. railroad systems originating this type of traffic in the current week compared with 52 one year ago and 47 in the corresponding week in 1959.

Wholesale Commodity Price Index Declines Moderately in Latest Week

There was a moderate decline in the general wholesale commodity price level in the latest week, with lower prices on some grains, lard, steers, lambs and steel scrap off-setting price increases on flour, sugar, butter and wool. The Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., stood at 268.37 (1930-1932 = 100) on May 8, compared with 269.06 a week earlier and 275.15 on the corresponding date a year ago.

Both domestic and export buying of wheat sagged during the week as buyers were influenced by favorable reports on the new crop; wheat prices were down appreciably from the preceding week. There was also a decrease in orders for wheat from flour mills. In contrast, rye prices advanced somewhat on steady buying on limited offerings.

Although offerings were limited, purchases of corn lagged during the week and prices finished moderately on the down side. The buying of oats was steady and prices remained close to a week earlier due to a reduction in supplies. A marked dip occurred in soybeans prices, with some of the weakness due to lagging demand in the oil and meal markets as well as to expected heavy plantings for the 1961 crop.

Flour trading showed little change from the prior week, but prices were up fractionally; the good crop outlook discouraged an increase in purchases; export business is expected to be transacted soon with The United Arab Republic, Bolivia and Ceylon.

Domestic and export trading in rice expanded during the week and supplies were down appreciably holding prices close to the prior week. Sugar prices advanced, reflecting a moderate rise in volume.

Transactions in coffee were steady and prices showed little change from the preceding week. Cocoa trading picked up at the end of the week helping prices finish somewhat above a week earlier.

Although hog prices rose somewhat at the beginning of the week, they slipped at the end of the period finishing close to a week earlier; the dip reflected a decline in trading toward the end of the week. There was a slight decrease in prices on steers as trading declined on higher supplies. Lamb prices finished the week slightly below the prior period.

Futures on the New York Cotton Exchange moved up somewhat during the week, but gains were restricted by slowness in finished goods and exports. United States

exports of cotton in the week ended last Tuesday dipped moderately from the prior week.

Wholesale Food Price Index Dips To Lowest Level in Nearly Nine Months

For the fourth time in a row the wholesale food price index, compiled by Dun & Bradstreet, Inc., showed a decline this week and it was the lowest level in almost nine months. On May 9 it declined to \$5.92 from the week earlier \$5.97 and was the lowest since \$5.91 of Aug. 17, 1960. The current level was down 0.2% from the \$5.93 of the corresponding date a year ago.

Commodities quoted higher in wholesale cost this week were flour, rye, sugar, eggs, potatoes, currants and lambs. Lower in price were wheat, corn, lard, cheese, milk, cottonseed oil, cocoa, prunes, steers and hogs.

The Dun & Bradstreet, Inc. wholesale food price index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Trade Off Slightly From Last Year

Some more bad weather and continued high levels of unemployment in some areas held consumer buying in the week ended May 10, 1961, close to the prior week and over-all retail trade slipped somewhat from the comparable week last year. Year-to-year declines in women's apparel, major appliances, draperies, and new passenger cars offset gains in men's and children's apparel and furniture. The call for linens was close to a year ago.

The total dollar volume of retail trade in the week ended May 10, 1961, was unchanged to 4% below a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1960 levels by the following percentages: South Atlantic —3 to —7; East North Central —2 to —6; West North Central and East South Central —1 to —5; Middle Atlantic and Pacific Coast +1 to —3; New England —2 to +2; West South Central —1 to +3; Mountain +1 to +5.

Nationwide Department Store Sales Down 3% From 1960 Week

Department store sales on a country-wide basis taken from the Federal Reserve Board's index for the week ended April 29, 1961, showed a decrease of 3% below the like period last year. For the week ended April 22, a decrease of 1% was reported. For the four weeks ended April 29, 1961, a 10% loss was reported.

According to the Federal Reserve System, department store sales in New York City for the week ended April 29, showed a 5% gain over the same period last year. In the preceding week ended April 22, sales showed no change from the same week in 1960. For the four weeks ended April 29, a 9% decrease was reported below the 1960 period, while from Jan. 1 to April 29 no change occurred over last year's sales.

Chicago Analysts to Hear

CHICAGO, Ill. — Herbert P. Buetow, President of the Minnesota Mining and Manufacturing Company will be guest speaker at the luncheon meeting of the Investment Analysts Society of Chicago to be held May 11 at the Midland Hotel.

R. H. Sirrine Opens

(Special to THE FINANCIAL CHRONICLE)
DOWNEY, Calif. — Reno H. Sirrine is conducting a securities business from offices at 10025 Lakewood Boulevard.

J. M. Ingalls With Tucker, Anthony

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Jerome M.



Jerome M. Ingalls

Ingalls has become associated with Tucker, Anthony & R. L. Day, 74 State Street. Mr. Ingalls, who has been in the investment business in Boston for many years, was formerly an officer of Coffin & Burr, incorporated, in charge of the corporate trading and order department.

Emmer Glass Stock Offered

Public offering of 190,000 shares of Emmer Glass Corp. class A common stock was made on May 8 at \$4 per share through a syndicate managed by Clayton Securities Corp. Of the shares being offered, 30,000 are being sold by a selling stockholder and 160,000 are being sold by the company.

The net proceeds to be received by the company will be used to retire loans payable to banks and a stockholder, and to augment the company's general funds. Such money may be used for various corporate purposes including carrying of inventories, payment of operating expenses, and carrying accounts receivable.

Emmer Glass Corp., Miami, Fla., and its subsidiaries are primarily engaged in the sale of glass, metal, fiber, plastic, and specially fabricated containers. The company is a wholesale distributor of these products and of household and garden appliances, equipment and accessories. In addition, the company acts as a selling agent for glass container manufacturers.

For the year ended Dec. 31, 1960, Emmer Glass and wholly-owned subsidiaries reported combined sales of 2,453,647 and net income equal to 51 cents per common share, based on 240,000 shares outstanding. Upon conclusion of this financing, capitalization will consist of 230,000 shares of class A common stock (par value 10 cents) and 170,000 shares of class B common stock (par value 10 cents).

Harold Stewart, V.P. Of Eppler, Guerin Co.

EL PASO, Tex. — Merger of Harold S. Stewart & Co., and Eppler, Guerin & Turner, Inc., Dallas investment banking firm and New York Stock Exchange members, has been announced.

Harold S. Stewart has also been elected a Vice-President of Eppler, Guerin & Turner and resident manager of the El Paso office which will continue at 1203 Bassett Tower.

Bruce Bartell and John Melvin Davis, who have been associated with Mr. Stewart, will continue as registered representatives of Eppler, Guerin & Turner.

A leading figure in Texas municipal and corporate financial circles, Mr. Stewart started in the securities business in 1925 in San Antonio. He established the El-Paso firm in 1948. In recent years he has been fiscal agent for the City of El Paso, El Paso County, El Paso Independent School District, and Ysleta Independent School District.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

	Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:				
Indicated steel operations (per cent capacity).....May 14	66.0	64.0	61.0	66.9
Equivalent to—				
Steel ingots and castings (net tons).....May 14	1,943,000	1,858,000	1,784,000	1,906,000
AMERICAN PETROLEUM INSTITUTE:				
Crude oil and condensate output—daily average (bbbls. of 42 gallons each).....Apr. 28	7,249,010	7,244,760	7,351,310	7,014,260
Crude runs to stills—daily average (bbbls.).....Apr. 28	7,738,000	7,765,000	7,855,000	7,945,000
Gasoline output (bbbls.).....Apr. 28	27,483,000	26,963,000	28,708,000	27,507,000
Kerosene output (bbbls.).....Apr. 28	2,173,000	2,614,000	2,931,000	2,248,000
Distillate fuel oil output (bbbls.).....Apr. 28	11,275,000	11,217,000	11,995,000	12,012,000
Residual fuel oil output (bbbls.).....Apr. 28	5,930,000	5,980,000	6,195,000	6,622,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—				
Finished and unfinished gasoline (bbbls.) at.....Apr. 28	219,317,000	222,225,000	226,449,000	219,524,000
Kerosene (bbbls.) at.....Apr. 28	26,226,000	26,447,000	26,006,000	20,024,000
Distillate fuel oil (bbbls.) at.....Apr. 28	84,008,000	84,622,000	89,677,000	81,375,000
Residual fuel oil (bbbls.) at.....Apr. 28	41,275,000	41,791,000	42,261,000	39,320,000
ASSOCIATION OF AMERICAN RAILROADS:				
Revenue freight loaded (number of cars).....Apr. 29	554,356	533,435	505,917	643,328
Revenue freight received from connections (no. of cars).....Apr. 29	494,937	489,166	473,708	542,822
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:				
Total U. S. construction.....May 4	\$418,800,000	\$555,000,000	\$440,000,000	\$530,400,000
Private construction.....May 4	173,800,000	259,500,000	169,600,000	235,100,000
Public construction.....May 4	245,000,000	295,500,000	270,400,000	295,300,000
State and municipal.....May 4	191,900,000	212,000,000	233,200,000	209,700,000
Federal.....May 4	53,100,000	83,500,000	37,200,000	85,600,000
COAL OUTPUT (U. S. BUREAU OF MINES):				
Bituminous coal and lignite (tons).....Apr. 29	7,420,000	7,405,000	6,560,000	8,367,000
Pennsylvania anthracite (tons).....Apr. 29	300,000	333,000	331,000	306,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100				
.....Apr. 29	146	144	151	151
EDISON ELECTRIC INSTITUTE:				
Electric output (in 000 kwh.).....May 6	14,206,000	14,254,000	14,182,000	13,495,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.				
.....May 4	399	369	343	327
IRON AGE COMPOSITE PRICES:				
Finished steel (per lb.).....May 1	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton).....May 1	\$66.44	\$66.44	\$66.44	\$66.44
Scrap steel (per gross ton).....May 1	\$36.50	\$37.50	\$39.50	\$33.17
METAL PRICES (E. & M. J. QUOTATIONS):				
Electrolytic copper—				
Domestic refinery at.....May 3	29.600c	28.600c	28.600c	32.600c
Export refinery at.....May 3	28.800c	27.875c	28.175c	31.800c
Lead (New York) at.....May 3	11.000c	11.000c	11.000c	12.000c
Lead (St. Louis) at.....May 3	10.800c	10.800c	10.800c	11.800c
Zinc (delivered) at.....May 3	12.000c	12.000c	12.000c	13.500c
Zinc (East St. Louis) at.....May 3	11.500c	11.500c	11.500c	13.000c
Aluminum (primary pig, 99.5%) at.....May 3	26.000c	26.000c	26.000c	26.000c
Straits tin (New York) at.....May 3	107.750c	108.000c	104.625c	98.875c
MOODY'S BOND PRICES DAILY AVERAGES:				
U. S. Government Bonds.....May 9	89.48	89.04	88.06	85.55
Average corporate.....May 9	87.72	87.59	88.27	84.81
Aaa.....May 9	92.06	91.77	92.64	89.51
Aa.....May 9	90.20	90.06	90.91	87.32
A.....May 9	87.18	87.18	87.99	84.43
Baa.....May 9	82.03	82.03	82.27	78.78
Railroad Group.....May 9	85.33	85.07	85.59	82.65
Public Utilities Group.....May 9	88.95	88.95	89.64	85.33
Industrials Group.....May 9	89.09	88.95	89.92	86.78
MOODY'S BOND YIELD DAILY AVERAGES:				
U. S. Government Bonds.....May 9	3.64	3.69	3.79	3.99
Average corporate.....May 9	4.58	4.59	4.54	4.80
Aaa.....May 9	4.27	4.29	4.23	4.45
Aa.....May 9	4.40	4.41	4.35	4.61
A.....May 9	4.62	4.62	4.56	4.83
Baa.....May 9	5.02	5.02	5.00	5.29
Railroad Group.....May 9	4.76	4.78	4.74	4.97
Public Utilities Group.....May 9	4.49	4.49	4.44	4.76
Industrials Group.....May 9	4.48	4.49	4.42	4.65
MOODY'S COMMODITY INDEX				
.....May 9	364.3	369.5	367.9	379.7
NATIONAL PAPERBOARD ASSOCIATION:				
Orders received (tons).....Apr. 29	320,272	306,093	335,296	321,258
Production (tons).....Apr. 29	319,809	322,181	320,592	307,102
Percentage of activity.....Apr. 29	91	92	91	92
Unfilled orders (tons) at end of period.....Apr. 29	421,325	419,627	440,723	428,599
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100				
.....May 5	113.05	113.02	112.70	110.38
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS				
Transactions of specialists in stocks in which registered—				
Total purchases.....Apr. 14	4,072,180	4,594,930	4,217,450	1,602,360
Short Sales.....Apr. 14	727,870	921,740	799,470	260,510
Other sales.....Apr. 14	3,179,710	3,387,740	3,314,170	1,240,530
Total sales.....Apr. 14	3,907,580	4,309,480	4,113,640	1,501,040
Other transactions initiated off the floor—				
Total purchases.....Apr. 14	653,640	695,200	526,910	245,230
Short Sales.....Apr. 14	49,800	134,300	37,700	14,300
Other sales.....Apr. 14	555,180	589,820	491,670	230,970
Total sales.....Apr. 14	604,980	724,120	529,370	245,270
Other transactions initiated on the floor—				
Total purchases.....Apr. 14	1,147,570	1,330,847	1,245,940	510,300
Short Sales.....Apr. 14	147,810	292,370	154,140	66,860
Other sales.....Apr. 14	1,081,427	1,464,741	1,059,818	521,422
Total sales.....Apr. 14	1,229,237	1,757,111	1,213,988	588,282
Total round-lot transactions for account of members—				
Total purchases.....Apr. 14	5,873,390	6,620,977	5,990,300	2,357,890
Short Sales.....Apr. 14	925,480	1,348,410	991,310	341,670
Other sales.....Apr. 14	4,816,317	5,442,301	4,865,688	1,992,922
Total sales.....Apr. 14	5,741,797	6,790,711	5,856,998	2,334,592
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION				
Odd-lot sales by dealers (customers' purchases) —†				
Number of shares.....Apr. 14	2,810,582	3,061,349	2,761,738	1,260,341
Dollar value.....Apr. 14	\$150,037,439	\$156,089,293	\$145,645,233	\$64,930,707
Odd-lot purchases by dealers (customers' sales) —				
Number of orders—Customers' total sales.....Apr. 14	2,922,171	3,077,144	2,809,280	1,140,057
Customers' short sales.....Apr. 14	10,039	8,160	8,010	7,833
Customers' other sales.....Apr. 14	2,912,132	3,068,984	2,801,270	1,132,224
Dollar value.....Apr. 14	\$145,721,988	\$145,401,925	\$133,879,734	\$56,393,379
Round-lot sales by dealers—				
Number of shares—Total sales.....Apr. 14	883,820	935,400	835,700	316,860
Short Sales.....Apr. 14	883,820	935,400	835,700	316,860
Other sales.....Apr. 14	883,820	935,400	835,700	316,860
Round-lot purchases by dealers—Number of shares.....Apr. 14	781,820	907,540	786,980	441,490
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):				
Total round-lot sales—				
Short Sales.....Apr. 14	1,022,470	1,473,930	1,129,040	426,880
Other sales.....Apr. 14	25,630,680	29,149,630	26,624,360	10,366,290
Total sales.....Apr. 14	26,653,150	30,623,560	27,753,400	10,793,170
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):				
Commodity Group.....May 2	119.3	119.4	119.5	119.8
All commodities.....May 2	87.4	88.1	88.6	90.7
Farm products.....May 2	108.5	108.7	109.2	107.0
Processed foods.....May 2	93.5	93.9	94.8	96.2
Meats.....May 2	128.0	128.1	127.9	188.4
All commodities other than farm and foods.....May 2				

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
ALUMINUM (BUREAU OF MINES):			
Production of primary aluminum in the U. S. (in short tons)—Month of February.....	138,560	161,427	156,823
Stocks of aluminum (short tons) end of Feb.	287,392	291,372	117,142
AMERICAN GAS ASSOCIATION—			
For Month of February:			
Total gas sales (M therms).....	10,361,800	10,968,400	9,796,500
Natural gas sales (M therms).....	10,014,300	10,606,700	9,491,900
Manufact'd & mixed gas sales (M therms).....	347,500	361,700	304,600
AMERICAN ZINC INSTITUTE, INC.—Month of April:			
Slab zinc smelter output all grades (tons of 2,000 pounds).....	73,063	78,007	83,221
Shipments (tons of 2,000 pounds).....	76,699	70,074	71,926
Stocks at end of period (tons).....	219,253	222,889	147,861
BUILDING PERMIT VALUATION — DUN & BRADSTREET, INC.—217 CITIES—Month of February:			
New England.....	\$11,595,936	\$22,242,748	\$17,675,063
Middle Atlantic.....	118,290,956	77,233,153	116,201,756
South Atlantic.....	34,164,790	39,604,291	52,554,086
East Central.....	73,775,654	74,344,911	84,576,444
South Central.....	83,078,264	90,851,161	102,630,143
West Central.....	31,824,223	19,941,676	22,477,856
Mountain.....	29,506,894	23,555,980	25,769,505
Pacific.....	110,950,848	124,158,146	125,620,501
Total United States.....	\$493,187,565	\$471,932,066	\$547,505,374
New York City.....	88,530,730	55,674,725	77,255,997
Total outside New York City.....	\$404,656,835	\$416,257,341	\$470,249,377
CASH DIVIDENDS—PUBLICLY REPORTED BY U. S. CORPORATIONS—U. S. DEPT. OF COMMERCE—Month of March:			
(000's omitted).....	\$1,957,200	\$468,100	\$1,931,700
COTTON AND LINTERS — DEPARTMENT OF COMMERCE—RUNNING BALES:			
Consumed month of March.....	795,472	637,116	887,352
In consuming establishments as of April 1.....	1,973,165	1,838,493	2,004,817
In public storage as of April 1.....	8,272,170	9,856,894	9,755,390
Linters—Consumed month of March.....	113,452	*95,246	132,705
Stocks—April 1.....	680,999	*674,048	654,333
Cotton spindles active as of April 1.....	17,430,000	17,451,000	17,602,000
DEPARTMENT STORE SALES SECOND FED- ERAL RESERVE DISTRICT FEDERAL RESERVE BANK OF NEW YORK—1947-49 Average=100—Month of March:			
Sales (average daily) unadjusted.....	128	105	*108
Sales (average daily) seasonally adjusted.....	140	130	*128
DEPARTMENT STORE SALES—FEDERAL RE- SERVE SYSTEM—1947-49 Average=100— Month of April:			
Adjusted for seasonal variation.....	150	*146	154
Without seasonal adjustment.....	137	*132	150
FABRICATED STRUCTURAL STEEL (AMERI- CAN INSTITUTE OF STEEL CONSTRU- CTION)—Month of March:			
Contracts closed (tonnage)—estimated.....	295,739	256,868	383,409
Shipments (tonnage)—estimated.....	232,361	260,158	311,557
METAL PRICES (E. & M. J. QUOTATIONS)— April:			
Copper—			
Domestic refinery (per pound).....	28.600c	28.600c	32.600c
Export refinery (per pound).....	27.781c	27.303c	31.684c
†London, prompt (per long ton).....	\$229.158	\$225.278	\$262.125
††Three months, London (per long ton).....	\$230.651	\$226.688	\$244.750
Lead—			
Common, New York (per pound).....	11.000c	11.000c	12.000c
Common, East St. Louis (per pound).....	10.800c	10.800c	11.800c
††London, prompt (per long ton).....	\$67.076	\$65.940	\$77.523
††Three months, London (per lon gton).....	\$68.220	\$67.108	\$76.572
Zinc—			
East St. Louis (per pound).....	11.500c	11.500c	13.000c
§§Prime Western, delivered (per pound).....	12.000c	12.000c	13.500c
††London, prompt (per long ton).....	\$83.914	\$84.577	\$92.431
††London, three months (per long ton).....	\$83.849	\$83.497	\$89.796
Silver and Sterling Exchange—			
Silver, New York (per ounce).....	91.375c	91.375c	91.375c
Silver, London (per ounce).....	79.559c	79.625c	79.034c
Sterling Exchange (check).....	\$2.79805	\$2.79751	\$2.80950
Tin, New York Straits.....	107.219c	103.443c	99.274c
Gold (per ounce U. S. price).....	\$35.000	\$35.000	\$35.000
Quicksilver (per flask of 76 pounds).....	\$205.000	\$206.000	\$213.333
Antimony—			
†New York, boxed (per pound).....	36.250c	32.590c	32.590c
Laredo, bulk (per pound).....	32.500c	29.000c	29.000c
Laredo, boxed (per pound).....	33.000c	29.500c	29.500c
Aluminum—			
99% grade ingot weighted avge. (per lb.).....	26.000c	26.000c	28.100c
99% grade primary pig export.....	23.250c	23.250c	26.000c
**Nickel.....	74.000c	74.000c	74.000c
Bismuth (per pound).....	\$2.25	\$2.25	\$2.25
Platinum, refined (per pound).....	\$82.000	\$82.000	\$82.000
Cadmium (per pound, delivered ton lots).....	\$1.60000	\$1.50000	\$1.40000
(Per pound, small lots).....	\$1.70000	\$1.60000	\$1.50000
Cobalt, 97% grade (per pound).....	\$1.50000	\$1.50000	\$1.50000
MOTOR VEHICLE FACTORY SALES FROM PLANTS IN U. S.—AUTOMOBILE MANU- FACTURERS' ASSN.—Month of April:			
Total number of vehicles.....	543,645	506,273	696,723
Number of passenger cars.....	446,452	408,539	583,626
Number of motor trucks.....	96,773	97,454	112,717
Number of motor coaches.....	420	280	380
REAL ESTATE FINANCING IN NONFARM AREAS OF U. S.—HOME LOAN BANK BOARD—Month of Feb. (000's omitted):			
Savings and loan associations.....	\$837,697	\$830,234	\$858,725
Insurance companies.....	78,487	82,934	102,583
Banks and trust companies.....	320,533	336,883	342,036
Mutual savings banks.....	95,111	109,913	103,527
Individuals.....	265,927	294,585	324,846
Miscellaneous lending institutions.....	398,760	420,106	416,987
Total.....	\$1,996,515	\$2,074,655	\$2,148,804
TIN—CONSUMPTION OF PRIMARY AND SE- CONDARY TIN IN THE UNITED STATES (BUREAU OF MINES) — Month of Feb. (in long tons):			
Stocks in beginning of period.....	33,115	33,485	37,795
Receipts.....	4,180	5,665	4,240
Supply.....	37,295	39,150	42,035
Stocks at end of period.....	31,640	33,115	34,640
Total processed.....	5,655	6,035	7,395
Intercompany scrap transactions.....	150	70	115
Consumed in manufacturing.....	5,505	5,965	7,280
Primary.....	3,570	3,680	4,760
Secondary.....	1,935	2,285	2,520

Securities Now in Registration

★ INDICATES ADDITIONS
SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm

● ACR Electronics Corp.

Feb. 27, 1961 refilled 125,000 shares of common stock. **Price**—\$3 per share. **Proceeds**—For salaries of additional personnel, liquidation of debt, research and the balance for working capital. **Office**—551 W. 22nd St., New York City. **Underwriter**—Robert Edelstein Co., Inc., New York City. **Note**—This offering was withdrawn.

● Accesso Corp. (5/22-26)

Jan. 30, 1961 filed 40,000 shares of common stock and 40,000 shares of preferred stock (par \$10) to be offered for public sale in units consisting of one share of common and one share of preferred stock. **Price**—\$15 per unit. **Business**—The company is engaged in the design, manufacture and sale of fluorescent lighting systems, acoustical tile hangers, metal tiles and other types of acoustical ceiling systems. **Proceeds**—For the repayment of loans and general corporate purposes. **Office**—3425 Bagley Avenue, Seattle, Wash. **Underwriter**—Ralph B. Leonard & Sons, Inc., New York City (managing).

Acme Missiles & Construction Corp.

Jan. 6, 1961 filed 30,000 outstanding shares of class A common stock. **Price**—To be supplied by amendment. **Business**—The construction and installation of missile launching platforms. **Proceeds**—To selling stockholders. **Office**—43 North Village Avenue, Rockville Centre, N. Y. **Underwriter**—None.

Action Discount Dollars Corp.

April 14, 1961 (letter of notification) 42,500 units, each unit to consist of one share of common stock (par one cent) and one share of class A stock (par \$1). **Price**—\$7 per unit. **Business**—The sale and redemption of trading stamps. **Proceeds**—For printing trading stamps, catalogues; advertising and franchise development. **Office**—26 Broadway, New York, N. Y. **Underwriter**—J. B. Corman Associates, Inc., New York, N. Y.

A-Drive Auto Leasing System, Inc.

Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. **Price**—\$10 per share. **Business**—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. **Proceeds**—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. **Office**—1616 Northern Boulevard, Manhasset, N. Y. **Underwriter**—Hill, Darlington & Grimm, New York City (managing). **Offering**—Imminent.

Advanced Investment Management Corp.

Jan. 13, 1961 filed 300,000 shares of common stock. **Price**—\$3.50 per share. **Business**—The company was organized in October, 1960 to operate an insurance home office service and management company with the related secondary purpose of owning investments in entities engaged in the insurance business. **Proceeds**—The company will use the proceeds estimated at \$851,895 as a reserve for the acquisition of interests in life insurance; for furniture and fixtures; for the establishment of a sales organization and for working capital. **Office**—The

Rector Building, Little Rock, Ark. **Underwriter**—Advanced Underwriters, Inc., Little Rock, Ark.

● Aerojet-General Corp.

April 11, 1961 filed \$15,000,000 of sinking fund debentures, due 1981. **Price**—To be supplied by amendment. **Business**—This subsidiary of General Tire & Rubber Co., is engaged in the research, development and manufacture of rocket engines and propellants for military and space exploration purposes. **Proceeds**—For the repayment of debt. **Office**—1100 West Hollyvale St., Azusa, Calif. **Underwriter**—Kidder, Peabody & Co., New York City (managing).

Aerotest Laboratories Inc. (5/22-26)

March 24, 1961 filed 100,000 shares of common stock, (par 10 cents), of which 40,000 shares are to be offered for public sale by the company and 60,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The testing of components and systems designed and manufactured under government contracts by companies in the missile, space, electronic and aircraft industries. **Proceeds**—To repay loans, buy additional equipment and for working capital. **Office**—Deer Park, L. I., N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Aldens, Inc.

April 21, 1961 filed \$15,000,000 of sinking fund debentures due 1981. **Business**—The mail order and retail sale of merchandise. **Proceeds**—For general funds. **Office**—5000 W. Roosevelt Road, Chicago, Ill. **Underwriter**—Lehman Brothers, New York City (managing). **Offering**—Expected in late June.

Allegheny Ludlum Steel Corp.

May 1, 1961 filed \$15,000,000 of sinking fund debentures due June 1, 1986. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of steel and other special alloys and metals. **Proceeds**—To prepay a bank loan and for other corporate purposes. **Office**—2000 Oliver Building, Pittsburgh, Pa. **Underwriters**—First Boston Corp., and Smith, Barney & Co., Inc., New York City (managing).

Allison Business Services, Inc.

April 17, 1961 (letter of notification) 100,000 shares of capital stock (par 10 cents). **Price**—\$3 per share. **Business**—The supplying of temporary office personnel. **Proceeds**—To purchase assets of Rapid Computing Co., Inc. and for general corporate purposes. **Office**—122 E. 42nd Street, New York, N. Y. **Underwriter**—Hancock Securities Corp., New York, N. Y.

Almar Rainwear Corp.

April 28, 1961 filed 120,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of plastic film raincoats and related items for men, women and children. **Proceeds**—For inventory, taxes, accrued sales commissions and working capital. **Office**—Washington, Ga. **Underwriter**—D. H. Blair & Co., New York City (managing).

● America-Israel Phosphate Co.

Dec. 23, 1960 filed 125,000 shares of common stock, each share of which carries two warrants to purchase two additional common shares in the next issue of shares, at a discount of 25% from the offering price. **Price**—\$4 per share. **Business**—The prospecting and exploration for phosphate mineral resources in Israel. **Proceeds**—For general business purposes. **Office**—82 Beaver Street, New York City. **Underwriter**—Seminole Securities Co., Inc., Pittsburgh, Pa., and New York City.

American Broadcasting-Paramount Theatres Inc. (5/23)

April 12, 1961 filed 140,000 outstanding shares of common stock (par \$1). **Price**—To be supplied by amend-

ment. **Business**—The operation of television, radio and motion picture theatre facilities and phonograph records and music publishing. **Proceeds**—For the selling stockholder. **Office**—7 West 66th St., New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Cyrus J. Lawrence & Sons, both of New York City (managing).

American Educational Life Insurance Co.

Dec. 5, 1960 filed 960,000 shares of class A common voting stock (par \$1) and 240,000 shares of class B non-voting common stock to be sold in units, each unit to consist of 4 shares of class A stock and one share of class B stock. **Price**—\$25 per unit. **Business**—The writing of life insurance and allied lines of insurance. **Proceeds**—For capital and surplus. **Office**—Third National Bank Bldg., Nashville, Tenn. **Underwriter**—Standard American Securities, Inc., Nashville, Tenn.

● American Facsimile Corp.

April 28, 1961 (letter of notification) 40,000 shares of common stock (par 25 cents). **Price**—\$3 per share. **Business**—The manufacture of facsimile communication equipment. **Proceeds**—For equipment; sales promotion and advertising; research and development, and working capital. **Office**—160 Coit Street, Irvington, N. J. **Underwriter**—Shell Associates, Inc., New York, N. Y.

American Finance Co., Inc.

April 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one \$200 debenture, 30 common shares and 10 warrants. **Price**—\$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office**—1472 Broadway, New York City. **Underwriter**—Myron A. Lomasney & Co., New York City. **Offering**—Expected in late June.

American Financial Corp. (5/22-26)

March 24, 1961 filed 175,000 shares of common stock, of which 125,000 shares are to be offered for public sale by the company and 50,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The operation of three Ohio savings and loan associations, an automobile and truck leasing business, and a small building contracting business in southern Ohio. **Proceeds**—The repayment of debt and for general corporate purposes. **Office**—3955 Montgomery Road, Norwood, Ohio. **Underwriter**—Westheimer & Co., Cincinnati, Ohio (managing).

● American Gas Co. (5/12-26)

March 22, 1961 filed 101,081 shares of common stock to be offered for subscription by stockholders on the basis of 2.7 new shares for each share held of record May 12 with rights to expire about May 26. **Price**—\$3.50 per share. **Proceeds**—To repay bank loans and for construction. **Office**—546 South 24th Ave., Omaha, Neb. **Underwriter**—Cruttenden, Podesta & Co., Chicago (managing).

American Mortgage Investment Corp.

April 29, 1960 filed \$1,800,000 4% 20-yr. collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing \$900 of bonds and 783 shares of stock. **Price**—\$1,800 per unit. **Proceeds**—To be used principally to originate mortgage loans and carry them until market conditions are favorable for disposition. **Office**—210 Center St., Little Rock, Ark. **Underwriter**—Amico, Inc.

Electr. Assist. Common Offered

Hayden, Stone & Co. heads an underwriting group which offered publicly on May 10 110,000 shares of Electronic Assistance Corp. common stock at \$41 per share. Of the sale, 60,000 shares are being offered for the account of the company and 50,000 shares for the account of Robert Edwards, President. Company proceeds will be added to general funds to augment working capital.

Electronic Assistance designs, engineers, manufactures and sells radar altimeters, communications and test equipment. Principal offices and factory are located in Red Bank, N. J. The company also manufactures airborne phase-changing networks and airport traffic control equipment. Approximately 95% of sales of these products for the last fiscal year were made directly or indirectly to government agencies. Company

backlog at Jan. 31, 1961 was approximately \$3,340,520.

Sales of the company for the year ended Jan. 31, 1961 totaled \$3,745,258 and net was \$210,200 compared with sales of \$911,466 and net of \$65,116 for the year ended Jan. 31, 1960.

Capitalization of the company as of March 15, 1961, and adjusted to give effect to the offering consists solely of 651,278 shares of common stock, 10 cents par value.

Banks for Coops. Offer Debens.

The Banks for Cooperatives are planning to offer today, May 11, a new issue of six-months consolidated collateral trust debentures dated June 1, 1961 and due Dec. 4, 1961, John T. Knox, Fiscal Agent for the Banks, announced on May 8. Amount of the issue and interest rate will be announced later. The debentures will be offered through Mr. Knox and a

nationwide group of securities dealers.

Proceeds from the financing will be used by the Banks to refund \$158,000,000 of 3½% debentures maturing June 1, 1961.

First Midwest Corp. Formed in Wichita

WICHITA, Kansas—First Midwest Corporation has been formed with offices at 607 North Edgemoor to engage in a securities business. Officers are Bruce C. Quantrell, President; Myrl S. Engel and Forrest E. Lagle, Vice-Presidents; and Charles F. Doty, Secretary-Treasurer. All were formerly with Lathrop, Herrick & Smith, Inc.

Liberty Securities Formed (Special to THE FINANCIAL CHRONICLE)

SARASOTA, Fla.—Liberty Securities Corporation is engaging in a securities business from offices at 1230 North Palm Avenue. Officers are W. W. Whiteman, Jr., Chairman of the board; W. DeVier Person, President; and Ralph Neely, Secretary-Treasurer.

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NEW ISSUE CALENDAR

May 11 (Thursday)

Sierra Pacific Power Co.-----Bonds
(Bids 11 a.m. DST) \$6,500,000

May 12 (Friday)

American Gas Co.-----Common
(Offering to stockholders—underwritten by Crutenden, Podesta & Co.) \$353,783
Economy Book Co.-----Common
(Hayden, Stone & Co.) 150,000 shares
Northern Instrument Corp.-----Common
(J. R. E. Investors Corp.) \$300,000
Stratton Corp.-----Debentures
(Cooley & Co.) \$50,000

May 15 (Monday)

Arkansas Power & Light Co.-----Bonds
(Bids 11:30 a.m. DST) \$12,000,000
Automation Development, Inc.-----Common
(First Philadelphia Corp. and United Planning Corp.) \$150,000
B. M. C. Industries, Inc.-----Units
(International Services Corp.) \$575,000
Blatt (M.) Co.-----Common
(Maltz, Greenwald & Co.; Clayton Securities Corp.; Rodetsky, Kleinzahler, Walker & Co. and L. C. Wiegard & Co.) 100,000 shares
Burgmaster Corp.-----Common
(Shearson, Hammill & Co.) 190,000 shares
CTS Corp.-----Common
(Goldman, Sachs & Co.) 300,000 shares
Gem International, Inc.-----Common
(Bosworth, Sullivan & Co., Inc. and Scherck, Richter Co.) 150,000 shares
Irvington Steel & Iron Works-----Common
(L. L. Fane & Co., Inc.) \$300,000
Metropolitan Securities, Inc.-----Common
(Metropolitan Brokers Inc.) \$300,000
National Food Marketers, Inc.-----Common
(Robert Edelstein Co., Inc.) \$400,000
North Electric Co.-----Common
(Offering to stockholders—no underwriting) 22,415 shares
Opelika Manufacturing Corp.-----Common
(Glore, Forgan & Co.) 200,000 shares
Stein, Hall & Co. Inc.-----Common
(F. Eberstadt & Co.) 250,000 shares
Waltham Watch Co.-----Units
(P. J. Gruber & Co. Inc.) 4,000 units

May 16 (Tuesday)

Elion Instruments, Inc.-----Capital
(Warner, Jennings, Mandel & Longstreth) 60,000 shares
Harcourt Brace & World, Inc.-----Common
(White, Weld & Co., Inc.) 101,398 shares
New York State Electric & Gas Corp.-----Bonds
(Bids 11 a.m. DST) \$25,000,000
Stocker & Yale, Inc.-----Common
(First Weber Securities Corp.) \$300,000
Tennessee Gas Transmission Co.-----Debentures
(Stone & Webster Securities Corp.; White, Weld & Co. and Halsey, Stuart & Co. Inc.) \$75,000,000

May 17 (Wednesday)

BarChris Construction Corp.-----Debentures
(Drexel & Co.) \$3,500,000
Consolidated Business Systems, Inc.-----Common
(Milton D. Elauer & Co., Inc. and M. L. Lee & Co., Inc.) \$800,000
Dean Milk Co.-----Common
(A.G. Becker & Co.) 150,093 shares
National Bagasse Products Corp.-----Units
(S. D. Fuller & Co. and Howard, Weil, Labouisse, Friedrichs & Co.) \$2,654,370
Pennsylvania Electric Co.-----Bonds
(Bids 11 a.m. DST) \$10,000,000
Upper Peninsula Power Co.-----Common
(Kidder, Peabody & Co.; Paine, Webber, Jackson & Curtis and Stone & Webster Securities Corp.) 26,000 shares

May 18 (Thursday)

Car Plan System, Inc.-----Common
(R. F. Dowd & Co., Inc.) \$300,000
Federal Paper Board Co., Inc.-----Debentures
(Goldman, Sachs & Co.) \$20,000,000
Interstate Power Co.-----Bonds
(Bids 11:30 a.m. DST) \$9,000,000
Interstate Power Co.-----Common
(Offering to stockholders—Bids 11 a.m. DST) 202,333 shares
Microwave Associates, Inc.-----Common
(Lehman Brothers) 240,000 shares
Mohawk Insurance Co.-----Common
(R. F. Dowd & Co., Inc.) \$900,000
Wayne-George Corp.-----Common
(Hayden, Stone & Co.) 80,000 shares

May 22 (Monday)

Accesso Corp.-----Units
(Ralph B. Leonard & Sons, Inc.) \$600,000
Aerotest Laboratories Inc.-----Common
(Hayden, Stone & Co.) 100,000 shares
American Financial Corp.-----Common
(Westheimer & Co.) 175,000 shares
Amity Corp.-----Common
(Karen Securities Corp.) \$226,217
Brown Fintube Co.-----Common
(Paine, Webber, Jackson & Curtis) 122,000 shares
Chock Full O' Nuts Corp.-----Debentures
(F. Eberstadt & Co.) \$7,500,000
Consolidated Activities, Inc.-----Debentures
(G. F. Nicholls & Co., Inc.) \$1,000,000
Consolidated Activities, Inc.-----Common
(G. F. Nicholls & Co., Inc.) \$175,000
Harwyn Publishing Corp.-----Common
(N. A. Hart & Co.) \$412,500
Lytton Financial Corp.-----Capital
(William R. Staats & Co. and Shearson, Hammill & Co.) 300,000 shares
Ohio Edison Co.-----Bonds
(Bids 11:30 a.m. DST) \$30,000,000
Panacolor, Inc.-----Common
(Federman, Stonehill & Co.) \$800,000
Real Estate Investment Trust of America-----Ben.Int.
(Paine, Webber, Jackson & Curtis; Kidder, Peabody & Co. and Lee Higginson Corp.) 500,000 shares
Rocket Jet Engineering Corp.-----Common
(Thomas Jay, Winston & Co., Inc. and Maltz, Greenwald & Co.) 110,000 shares

Amity Corp. (5/22-26)

Jan. 17, 1961 filed 88,739 shares of common stock (par \$1). Price—\$3 per share. Business—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. Proceeds—For general corporate purposes, including \$170,000 for construction and \$12,000 for debt reduction. Office—Equitable Building, Baltimore, Md. Underwriter—Karen Securities Corp., New York City.

Apache Corp.

March 31, 1961 filed 300 units in the Apache Gas and Oil Program 1962. Price—\$15,000 per unit. Business—The acquisition, holding, testing, developing and operating of gas and oil leaseholds. Proceeds—For general corporate purposes. Office—523 Marquette Ave., Minneapolis, Minn. Underwriter—The company and its subsidiary, APA, Inc., will act as underwriters for the Program.

Apache Realty Corp.

March 31, 1961 filed 1,000 units in the First Apache Realty Program. Price—\$5,000 per unit. Business—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. Proceeds—For investment. Office—523 Marquette Ave., Minneapolis, Minn. Underwriter—Blunt Ellis & Simmons, Chicago (managing).

Architectural Plastics Corp.

April 20, 1961 (letter of notification) 103,191 shares of common stock (par \$1) of which 26,326 shares are to be offered by the company and 76,865 shares by the underwriter. Price—\$1.25 per share. Proceeds—For working capital. Office—1355 River Road, Eugene, Ore. Underwriter—Zilka, Smith & Co., Inc., Portland, Ore.

Arizona Color Film Processing Laboratories, Inc.

March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. Price—22 cents per share. Business—The processing of black and white and color film. Proceeds—To repay loans and for working capital. Office—2 North 30th Street, Phoenix, Ariz. Underwriter—None.

Arizona Public Service Co. (5/23-6/13)

April 21, 1961 filed 488,386 shares of common stock (par \$2.50), to be offered for subscription by common stockholders on the basis of one new share for each 15 shares held of record on May 23, with rights to expire June 13. Price—To be supplied by amendment. Proceeds—For expansion. Office—501 South Third Ave., Phoenix, Ariz. Underwriters—First Boston Corp., and Blyth & Co., Inc. (managing).

Arkansas Power & Light Co. (5/15)

March 23, 1961 this subsidiary of Middle South Utilities filed \$12,000,000 of first mortgage bonds, due 1991. Office—Ninth and Louisiana Streets, Little Rock, Ark. Underwriter—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co. and Dean Witter & Co. (jointly); Lehman Brothers; Stone & Webster Securities Corp. and White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc. Bids—To be received May 15 at 11:30 a.m. (DST) on the 28th floor of 2 Broadway, New York City.

Armco Steel Corp. (5/23)

May 2, 1961 filed \$50,000,000 of debentures due June 1, 1986. Price—To be supplied by amendment. Proceeds—To prepay a bank loan and for expansion. Office—703 Curtis St., Middletown, O. Underwriter—Smith, Barney & Co., Inc., New York City (managing).

Arrow Electronics, Inc.

March 30, 1961 filed 165,000 shares of common stock (par \$1). Price—\$5 per share. Business—The distribution of electronic equipment including high fidelity, radio and television components. Proceeds—To repay loans, expand facilities and for working capital. Office—525 Jericho Turnpike, Mineola, L. I., N. Y. Underwriter—Arnold Malkan & Co., Inc., New York City. Offering—Expected in June.

Astek Instrument Corp.

March 17, 1961 (letter of notification) 200,000 shares of common stock (par 10 cents). Price—\$1.50 per share. Business—The manufacture of flight instruments and control systems for missiles, space vehicles and aircraft. Proceeds—For leasehold improvements, furniture and equipment, the purchase of equipment, and working capital. Office—Armonk, N. Y. Underwriter—M. H. Woodhill, Inc., New York, N. Y.

Atlantic Fund for Investment in U. S. Government Securities, Inc.

July 22, 1960, filed 2,000,000 shares of common stock. Price—\$25 per share. Business—A diversified investment company, which will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. Proceeds—For investment in U. S. Government securities. Office—50 Broad Street, New York City. Underwriter—Capital Counsellors, 50 Broad Street, New York City. Note—This company was formerly the Irving Fund for Investment in U. S. Government Securities, Inc.

Atohm Electronics

April 13, 1961 (letter of notification) 50,000 shares of common stock (par 25 cents). Price—\$6 per share. Proceeds—To repay debt, purchase equipment and inventory, and for working capital. Office—7648 San Fernando Rd., Sun Valley, Calif. Underwriter—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Audiographic Inc.

Feb. 27, 1961 filed 150,000 shares of common stock. Price—\$4 per share. Business—The manufacture and sale of fire and burglar warning systems. Proceeds—To estab-

lish subsidiaries, buy equipment to make component parts of warning systems now manufactured by others, reduce indebtedness, add to inventory, and for working capital. Office—Bellemore, L. I., N. Y. Underwriter—First Broad Street Corp., New York City (managing).

Automated Procedures Corp.

April 7, 1961 filed 110,000 shares of class A stock (par 5 cents). Price—\$3 per share. Business—The company offers customized data processing service which involves the breaking up of complex accounting operations into simple tasks performable by its machines. Proceeds—To purchase additional equipment. Office—71 West 23rd Street, New York City. Underwriter—Jay W. Kaufmann & Co., New York City.

Automation Development, Inc. (5/15-19)

Jan. 27, 1961 (letter of notification) 40,000 shares of common stock (par 5 cents). Price—\$3.75 per share. Proceeds—For further development of the "Skyjector." Office—342 Madison Ave., New York City. Underwriter—First Philadelphia Corp., New York, N. Y., and United Planning Corp., Newark, N. J.

Automotive Vacuum Control Corp.

March 30, 1961 (letter of notification) 60,000 shares of common stock (par \$1). Price—\$5 per share. Proceeds—For advertising, new products and working capital. Office—1007 East Second Street, Wichita, Kan. Underwriter—Donald J. Hinkley & Co., Inc., Denver, Colo.

B. M. C. Industries, Inc. (5/15)

March 1, 1961 filed 50,000 shares of 7% non-cumulative preferred stock (par \$7.50); and 200,000 shares of common stock (par one cent), of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holder thereof. The offering will be made in units, each unit to consist of one preferred share and four common shares. Price—\$11.50 per unit. Business—The company, formerly Beaktron Manufacturing Corp., manufactures, assembles and distributes a diverse line of electronic components for use in guidance and communication systems. Proceeds—For expansion and working capital. Office—1101 1109 Utica Ave., Brooklyn, N. Y. Underwriter—International Services Corp., Paterson, N. J.

Banker's Finance Co., Inc.

April 28, 1961 (letter of notification) \$150,000 of 8% debenture bonds due serially Dec. 31, 1961 to 1966 inclusive. Price—\$500 per bond. Proceeds—For working capital. Office—321 Peachtree St., N. E., Atlanta, Ga. Underwriter—None.

Bar-Chris Construction Corp. (5/17)

March 30, 1961 filed \$3,500,000 of convertible subordinated debentures, due May 1, 1976. Price—To be supplied by amendment. Business—The design, manufacture and sale of bowling alleys and bowling equipment. Proceeds—For construction of a new plant, development of new products and working capital. Office—35 Union Square West, New York City. Underwriter—Drexel & Co., New York City (managing).

Bel-Aire Products, Inc.

April 14, 1961 (letter of notification) 150,000 shares of common stock. Price—At par (\$2 per share). Proceeds—For repayment of a loan, new equipment, lease of a plant, and working capital. Office—25970 W. 8 mile Road, Southfield, Mich. Underwriter—International Equities Co., Miami, Fla.

Beryllium Manufacturing Corp.

Feb. 27, 1961 filed 105,000 shares of common stock. Price—\$4.50 per share. Business—The fabrication of pure beryllium components and other materials. Proceeds—For expansion and inventory, with the balance for working capital. Office—253 W. Merrick Rd., Valley Stream, L. I., N. Y. Underwriter—Eldes Securities Corp., New York City. Offering—Imminent.

Big Boy Properties, Inc.

March 20, 1961 filed 100,000 shares of common stock. Price—\$10 per share. Business—The company plans to operate a chain of "Big Boy" restaurants in California. Proceeds—For the purchase of restaurants and other properties. Office—1001 East Colorado Street, Glendale, Calif. Underwriter—None.

Blatt (M.) Co. (5/15)

Feb. 28, 1961 filed 115,000 shares of common stock (par 25 cents). Price—\$6 per share. Business—The issuer manufactures and installs bowling lanes and related equipment. Proceeds—For expansion, new equipment, the repayment of debts and for working capital. Office—315 Third St., Trenton, N. J. Underwriters—Maltz, Greenwald & Co., New York City (managing); Clayton Securities Corp., Boston, Mass.; Rodetsky, Kleinzahler, Walker & Co., Jersey City, N. J.; and L. C. Wiegard & Co., Levittown, N. J.

Bloomfield Industries, Inc.

May 1, 1961 filed 140,000 shares of common stock, of which 40,000 shares are to be offered for public sale by the company and 100,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and sale of food service equipment (for restaurants, hotels, etc.) and houseware and hospital products. Proceeds—For product expansion, working capital and other corporate purposes. Office—4546 West 47th St., Chicago, Ill. Underwriters—Westheimer & Co., Cincinnati and Divine & Fishman, Inc., Chicago and New York City.

Blue Haven Industries, Inc.

March 30, 1961 (letter of notification) 70,000 shares of common stock (par 10 cents). Price—\$4 per share. Proceeds—To increase inventory, reduce indebtedness and for working capital. Office—11933 Vose St., North Hollywood, Calif. Underwriter—Pacific Coast Securities Co., San Francisco.

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Schaper Manufacturing Co., Inc. Common
(Paine, Webber, Jackson & Curtis) \$806,000
U. S. Mfg. & Galvanizing Corp. Common
(Armstrong & Co., Inc.) \$300,000

May 23 (Tuesday)

American Broadcasting-Paramount Theatres, Inc. Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc. and Cyrus J. Lawrence & Sons) 140,000 shares
Arizona Public Service Co. Common
(Offering to stockholders—underwritten by First Boston Corp. and Blyth & Co., Inc.) 488,986 shares
Armco Steel Corp. Debentures
(Smith, Barney & Co., Inc.) \$50,000,000
Curley Co., Inc. Common
(Carter, Berlind, Potoma & Weill) 50,000 shares
King Kullen Grocery Co., Inc. Class A
(Hemphill, Noyes & Co. and Estabrook & Co.) 180,000 shares
Michigan Consolidated Gas Co. Bonds
(Bids 11:30 a.m. DST) \$30,000,000
Ram Electronics, Inc. Common
(General Securities Co. Inc.) \$300,000

May 24 (Wednesday)

Consolidated Natural Gas Co. Debentures
(Bids 11:30 a.m. DST) \$40,000,000

May 25 (Thursday)

Louisville & Nashville RR. Equip. Trust Cfs.
(Bids noon DST) \$5,300,000
New Orleans Public Service, Inc. Bonds
(Bids 11:30 a.m. DST) \$15,000,000
Pillsbury Co. Debentures
(Goldman, Sachs & Co. and Piper, Jaffray & Hopwood) \$10,000,000
Precisionware, Inc. Common
(Hayden, Stone & Co.) 125,000 shares

May 29 (Monday)

Chroma-Glo, Inc. Common
(Jamieson & Co.) \$297,000
Consumers Automatic Vending, Inc. Common
(Doran, Norman & Co. and V. S. Wickett & Co. Inc.) \$500,000
Dodge Wire Corp. Common
(Plymouth Securities Corp.) \$600,000
Eastern Lime Corp. Common
(Casper Rogers & Co.) \$300,000
Futterman Corp. Class A
(Van Alstyne, Noel & Co.) 1,000,000 shares
Golden Triangle Industries, Inc. Common
(Robert M. Harris & Co. Inc.) \$340,000
Howard Johnson Co. Common
(Blyth & Co. Inc. and F. S. Moseley & Co., co-managers) 660,000 shares
MacDonald (E. F.) Co. Common
(Smith, Barney & Co. Inc. and Merrill, Turben & Co. Inc.) 275,000 shares
Magnefax Corp. Common
(Stroud & Co.) \$1,000,000

Morton Mfg. Corp. Common
(Smith, Barney & Co.) 100,000 shares
Products Research Co. Common
(Schwabacher & Co.) 283,200 shares
Publishers Co., Inc. Common
(Amos Treat & Co., Inc. and Roth & Co., Inc.) \$2,200,000
Scot Lad Foods, Inc. Common
(Hayden, Stone & Co.) 250,000 shares
U. S. Realty Investment Trust Ben. Int.
(Hornblower & Weeks) \$3,869,750
Vector Engineering, Inc. Common
(Omega Securities Corp.) \$300,000

May 31 (Wednesday)

Indiana & Michigan Electric Co. Debentures
(Bids 11:30 a.m. DST) \$20,000,000
Warner Brothers Co. Common
(Lehman Brothers) 200,000 shares

June 1 (Thursday)

Columbia Gas System, Inc. Debentures
(Bids to be received) \$30,000,000

June 5 (Monday)

Empire Devices, Inc. Common
(Hayden, Stone & Co.) Approximately \$1,050,000
Fox-Stanley Photo Products, Inc. Common
(Equitable Securities Corp.) 387,500 shares
Income Planning Corp. Units
(Espv & Wanderer, Inc.) \$200,000
Pennsylvania Electric Co. Debentures
(Bids noon DST) \$12,000,000
Southland Life Insurance Co. Common
(Offering to stockholders—underwritten by Equitable Securities Corp.) 80,000 shares

June 6 (Tuesday)

American Telephone & Telegraph Co. Bonds
(Bids to be received) \$250,000,000
Public Service Electric & Gas Co. Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 900,000 shares
Stratton Corp. Debentures
(Cooley & Co.) \$650,000
Virginia Chemicals & Smelting Co. Common
(White, Weld & Co.) 135,000 shares

June 7 (Wednesday)

Community Public Service Co. Bonds
(Bids 11 a.m. DST) \$5,000,000
Recreation Enterprises, Inc. Units
(I. M. Simon & Co.) \$550,000

June 8 (Thursday)

Brooklyn Union Gas Co. Bonds
(Bids to be received) \$20,000,000

June 12 (Monday)

Income Properties, Inc. Class A
(Eisele & King, Lebaire, Stout & Co.) \$1,462,500
Missouri Edison Co. Bonds
(Bids to be received) \$2,000,000

Sony Corp. Common
(Smith, Barney & Co. and The Nomura Securities Co.) 2,000,000 shares

June 13 (Tuesday)

Virginia Electric & Power Co. Bonds
(Bids 11 a.m. DST) \$30,000,000

June 14 (Wednesday)

Michigan Wisconsin Pipe Line Co. Bonds
(Bids 11 a.m. DST) \$30,000,000

June 15 (Thursday)

Photronics Corp. Common
(Offering to stockholders—underwritten by L. D. Sherman & Co.) 150,000 shares
Southern Electric Generating Co. Bonds
(Bids 11 a.m. DST) \$20,000,000

June 20 (Tuesday)

Consolidated Edison Co. of New York, Inc. Bonds
(Bids 11 a.m. DST) \$50,000,000

June 22 (Thursday)

Northern Illinois Gas Co. Common
(Offering to stockholders—no underwriting) \$20,000,000

June 27 (Tuesday)

Massachusetts Electric Co. Bonds
(Bids to be received) \$17,500,000

June 30 (Friday)

Taffet Electronics, Inc. Common
(Fialkov & Co. Inc.) \$396,000

August 8 (Tuesday)

Northern States Power Co. Bonds
(Bids to be received) \$20,000,000

September 27 (Wednesday)

Rochester Gas & Electric Corp. Bonds
(Bids to be received) \$12,000,000

September 28 (Thursday)

Mississippi Power Co. Bonds
(Bids to be received) \$5,000,000

Mississippi Power Co. Preferred
(Bids to be received) \$5,000,000

October 18 (Wednesday)

Georgia Power Co. Bonds
(Bids to be received) \$15,500,000

Georgia Power Co. Preferred
(Bids to be received) \$8,000,000

December 5 (Tuesday)

Virginia Electric & Power Co. Bonds
(Bids to be received) \$15,000,000

December 7 (Thursday)

Gulf Power Co. Bonds
(Bids to be received) \$5,000,000

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★ Boise Downtown Parking Corp.

April 17, 1961 (letter of notification) 750 shares of common stock. Price—At par (\$100 per share). Proceeds—To purchase property for off-street parking. Office—366 Sanna Bldg., Boise, Idaho. Underwriter—None.

• Bolt Beranek & Newman, Inc.

April 27, 1961 filed 160,000 shares of common stock, of which 90,140 shares are to be offered for public sale by the company and 69,860 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The company is a group of scientists and engineers engaged in research, consultation and product development in the fields of architectural acoustics, applied physics, instrumentation, psychoacoustics, bio-medical technology, man-made machines and information systems. Proceeds—For the repayment of debt, and working capital. Office—50 Moulton Street, Cambridge, Mass. Underwriter—Hemphill, Noyes & Co., New York City (managing). Offering—Expected in late June.

Bookshelf of America, Inc.

April 17, 1961 (letter of notification) 74,950 shares of common stock (par 10 cents). Price—\$4 per share. Business—The mail order sale of religious books. Proceeds—For moving expenses, new equipment and working capital and general corporate purposes. Office—889 Broadway, New York, N. Y. Underwriter—D. H. Blair & Co., New York, N. Y.

Bowl-Mor Co., Inc.

March 29, 1961 filed 38,474 outstanding shares of common stock to be offered for public sale by the present holders thereof. Price—At the market. Business—The manufacture and distribution of pin-setting machines used in bowling. Proceeds—For the selling stockholders. Office—Newtown Road, Littleton, Mass. Underwriter—None.

Broadcast International, Inc.

Feb. 28, 1961 (letter of notification) 60,000 shares of common stock (par five cents). Price—\$5 per share. Business—Producers of radio and television programs. Proceeds—For general corporate purposes. Office—3 W. 57th St., New York City. Underwriter—Harry Odzer Co., New York, N. Y.

Brooklyn Union Gas Co. (6/8)

May 1, 1961 filed \$20,000,000 of first mortgage bonds due 1986. Proceeds—For the repayment of bank loans and other corporate purposes. Office—176 Remsen Street, Brooklyn, N. Y. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Harriman Ripley & Co., Inc. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; White, Weld & Co.; Blyth & Co., Inc., and F. S.

Moseley & Co. (jointly). Bids—To be received on June 8, 1961.

Brown Fintube Co. (5/22-26)

March 27, 1961 filed 122,000 shares of class A common stock (par \$1), of which 100,000 shares are to be offered for public sale by the company and 22,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The production of heat-transfer equipment for use primarily in the petrochemical, chemical and refining industries. Proceeds—For new equipment and working capital. Office—300 Huron Street, Elyria, Ohio. Underwriter—Paine, Webber, Jackson & Curtis, New York City.

★ Buccaneer Stamp Co. of the Panhandle

April 27, 1961 (letter of notification) 24,500 shares of class A common stock to be offered to eligible members of the public and 15,500 shares of class B common stock to be offered for subscription by present holders of class B common stock. Price—At par (\$1 per share). Proceeds—For inventory, salaries, rent, and working capital. Office—3000 Dutton Ave., Waco, Tex. Underwriter—None.

Burgmaster Corp. (5/15-19)

March 23, 1961 filed 190,000 shares of common stock (par \$1). Price—To be supplied by amendment. Business—The manufacture of multiple spindle-turret drilling machines. Proceeds—To repay loans, purchase additional equipment and real estate, and for working capital. Office—15001 South Figueroa Street, Gardena, Calif. Underwriter—Shearson, Hammill & Co., New York City (managing).

Business Finance Corp.

Aug. 5, 1960 (letter of notification) 195,000 shares of common stock (par 20 cents). Price—\$1.50 per share. Proceeds—For business expansion. Office—1800 E. 26th St., Little Rock, Ark. Underwriter—Cohn Co., Inc., 309 N. Ridge Road, Little Rock, Ark.

CMC Finance Group, Inc.

April 28, 1961 filed 150,000 shares of class A common stock. Price—To be supplied by amendment. Business—The company, through its 20 subsidiaries, is engaged in the consumer finance business in North Carolina, South Carolina and Georgia. Proceeds—For working capital. Office—1009 Wachovia Building, Charlotte, N. C. Underwriter—Auchincloss, Parker & Redpath, Washington, D. C.

CTS Corp. (5/15-19)

March 16, 1961 filed 300,000 shares of common stock (no par) of which 75,000 shares are to be offered for public sale by the company and 225,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—Manufactures electronic and electro-mechanical components, primarily variable resistors and associated switches. Proceeds—To repay debt and

for working capital. Office—1142 West Beardsley Ave., Elkhart, Ind. Underwriter—Goldman, Sachs & Co., New York City (managing).

Cable Carriers, Inc.

March 23, 1961 filed 196,109 shares of capital stock. Price—To be supplied by amendment. Business—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. Proceeds—For working capital. Office—Kirk Boulevard, Greenville, S. C. Underwriter—To be named.

★ Canandaigua Enterprises Corp.

May 2, 1961 filed \$4,000,000 of sinking fund debentures due 1976, 240,000 shares of class A stock, and warrants to purchase 120,000 shares of class A stock to be offered for public sale in units, each consisting of \$500 of debentures, 30 class A shares, and 6-year warrants to purchase 15 class A shares at \$5 per share. Price—To be supplied by amendment. Business—The company owns a majority stock interest in Finger Lakes Racing Association, Inc., which is erecting a thoroughbred race track at Canandaigua, New York. The company plans to engage in recreational and entertainment activities and may construct hotels, motels or restaurants adjacent to the race track. Proceeds—For construction, working capital and general corporate purposes. Office—29 Broadway, New York City. Underwriter—S. D. Fuller & Co., New York City (managing). Offering—Expected in late June.

Capital For Technical Industries, Inc.

April 10, 1961 filed 500,000 shares of common stock. Price—\$10 per share. Business—A small business investment company. Proceeds—To repay a loan and to provide long term capital to small business concerns. Office—1281 Westwood Blvd., Los Angeles, Calif. Underwriter—Dempsey-Tegeler & Co., St. Louis, Mo. Offering—Expected in late May.

Capital Properties Inc.

April 21, 1961 filed \$600,000 of 9½% debentures due 1977 and 12,000 shares of common stock to be offered for public sale in units of \$1,000 of debentures and 20 common shares. Price—\$1,000 per unit. Business—The company plans to purchase and lease back three buildings to be erected by Tower's Marts, Inc., for use as retail discount department stores. Proceeds—For acquisition of the above properties. Office—36 Pearl St., Hartford, Conn. Underwriter—Hodgdon & Co., Inc., Washington, D. C.

★ Capital Southwest Corp.

May 8, 1961 filed 1,250,000 shares of common stock. Price—\$11 per share. Business—A small business investment company. Proceeds—For investment. Office—6517 Hillcrest Avenue, Dallas, Texas. Underwriter—Rotan, Mosle & Co., Houston, Texas (managing).

★ Car Plan System, Inc. (5/18)

April 10, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The leasing of automobiles. **Proceeds**—For expansion. **Office**—540 N. W. 79th Street, Miami, Fla. **Underwriter**—R. F. Dowd & Co., Inc., New York City.

★ Carwood-Korda Productions, Inc.

May 1, 1961 (letter of notification) 150,000 shares of common stock (par \$1). **Price**—\$2 per share. **Proceeds**—For purchase of literary properties, writers' fees, publicity and working capital. **Office**—8820 Sunset Boulevard, Suite A, Hollywood, Calif. **Underwriter**—None.

Central Hadley Corp.

Jan. 27, 1961 filed 41,829 outstanding shares of 5% cumulative convertible preferred stock (par \$10), and 481,450 outstanding common shares. **Business**—A holding company with three wholly owned subsidiaries; B. H. Hadley, Inc., which designs, develops, tests and manufactures precision components for fluid control and regulation systems for the missile industry; Stellardyne Laboratories, Inc., which sells testing and cleaning services to the missile industry; and Central Explorers Co., which owns oil leases and develops the leases. **Proceeds**—To the selling stockholders. **Office**—596 North Park Avenue, Pomona, Calif. **Underwriter**—None.

Chalco Engineering Corp.

Jan. 30, 1961 filed 100,000 shares of common stock. **Price**—\$6 per share. **Business**—The company is engaged in the business of engineering, research, development, manufacturing and installation of custom communication systems and electronic, electro-mechanical and mechanical systems and devices for ground support facilities for missile and space programs of the U. S. Government. The company also manufactures special purpose products sold for military use. **Proceeds**—For the repayment of loans and for working capital. **Office**—15126 South Broadway, Gardena, Calif. **Underwriter**—First Broad Street Corp., New York City (managing).

Chock Full O' Nuts Corp. (5/22-26)

April 7, 1961 filed \$750,000 of subordinated debentures, due May 1, 1961. **Price**—To be supplied by amendment. **Business**—The operation of a chain of restaurants in the New York City area, and the packaging and retail sale of coffee. **Proceeds**—For expansion. **Office**—425 Lexington Avenue, New York 17, N. Y. **Underwriter**—F. Eberstadt & Co., New York City (managing).

Chroma-Glo, Inc. (5/29)

March 2, 1961 (letter of notification) 90,000 shares of common stock (par 50 cents). **Price**—\$3.30 per share. **Business**—The manufacture of pressure sensitive emblems. **Proceeds**—For payment of obligations; purchase of equipment; and for working capital. **Office**—525 Lake Ave., S., Duluth 2, Minn. **Underwriter**—Jamieson & Co., Minneapolis, Minn.

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. **Price**—\$5.50 per share. **Business**—A closed-end diversified investment company of the management type. **Proceeds**—For investment. **Office**—501 Bailey Avenue, Fort Worth, Texas. **Distributor**—Associates Management, Inc., Fort Worth, Texas.

City Products Corp.

April 27, 1961 filed \$15,000,000 of convertible subordinated debentures due June 1, 1982. **Business**—The company and its subsidiaries distribute general merchandise, and operate refrigerator car icing and vacuum cooling plants, cold storage warehouses, dairies, breweries and coal and oil distribution facilities. **Proceeds**—To retire outstanding notes and for working capital. **Underwriters**—Lehman Brothers and White, Weld & Co., New York City (managing). **Offering**—Expected in late June.

Clairtone Sound Corp. Ltd.

March 29, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The design, manufacturing and distribution of stereophonic high fidelity radio-phonograph consoles and accessories. **Proceeds**—For research and development, expansion, increased inventories and repayment of debt. **Office**—118 Rivalda Road, Weston, Ont., Canada. **Underwriter**—Reiner, Linburn & Co., New York City, is no longer underwriting this issue.

Clark Equipment Credit Corp.

April 21, 1961 filed \$20,000,000 of debentures, series A, due 1981. **Price**—To be supplied by amendment. **Business**—The financing in the U. S. and Canada of retail time sales of products manufactured by Clark Equipment Co., parent. **Proceeds**—For the repayment of debt. **Office**—324 East Dewey Ave., Buchanan, Mich. **Underwriters**—Lehman Brothers and Blyth & Co., Inc., New York City (managing). **Offering**—Expected about mid-June.

Clarkson Laboratories, Inc.

April 27, 1961 filed 200,000 shares of common stock. **Price**—\$2 per share. **Business**—The company plans to engage in the development, manufacture, packaging and sale of industrial chemicals and latex, resins and plastic compounds for industrial and commercial use. **Proceeds**—For plant additions, repayment of debt, and working capital. **Office**—1450 Ferry Avenue, Camden, N. J. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., both of New York City.

Coastal Publications Corp.

March 30, 1961 filed 110,000 shares of common stock (par 60 cents). **Price**—To be supplied by amendment. **Business**—The preparation of technical literature on the use and maintenance of complicated electronic equipment produced for the Department of Defense. **Proceeds**—For general corporate purposes. **Office**—130 W. 42nd Street, New York City. **Underwriter**—Jesup & Lamont, New York City.

Colorplate Engraving Co.

April 25, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—\$4 per share. **Business**—Color photo-engraving. **Proceeds**—For repayment of loans; acquisition of equipment, and working capital. **Office**—311 W. 43rd Street, New York, N. Y. **Underwriter**—Mineo & Co., 99 Wall Street, New York, New York.

Columbia Gas System, Inc. (6/1)

April 21, 1961 filed \$30,000,000 of debentures due June 1986. **Office**—120 E. 41st St., New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). **Bids**—To be received at the company's office on June 1.

Community Public Service Co. (6/7)

April 26, 1961 filed \$5,000,000 of first mortgage bonds, series F, due June 1, 1991. **Proceeds**—For the repayment of loans and for construction. **Office**—408 West Seventh Street, Fort Worth, Texas. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Paine, Webber, Jackson & Curtis; First Southwest Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—To be received on June 7 at 11 a.m. (DST) on the 19th floor of 90 Broad Street, New York City. **Information Meeting**—Scheduled for June 5 at 3 p.m. (DST) on the 23rd floor of One Chase Manhattan Plaza, New York City.

Community Research & Development, Inc.

Feb. 27, 1961 filed 620,445 shares of common stock being offered for subscription by holders of its common stock and 6% convertible debentures due Jan. 1, 1972 on the basis of one new share for each two common shares held, and 105 shares for each \$1,000 of debentures held of record May 1, with rights to expire May 22. **Price**—\$5 per share. **Business**—The development, ownership and management of income producing real estate projects. **Proceeds**—For construction. **Office**—14 West Saratoga Street, Baltimore, Md. **Underwriter**—Alex. Brown & Sons, Baltimore, Md. (managing).

Components Specialties, Inc.

April 20, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—\$3.50 per share. **Business**—The importation and sale of electronic subminiature components. **Proceeds**—For repayment of debt; advertising, inventory and working capital. **Office**—3 Foxhurst Road, Baldwin, L. I., N. Y. **Underwriter**—Fund Planning, Inc., New York, N. Y.

Comptometer Corp.

March 31, 1961 filed 160,401 shares of common stock to be offered for subscription by holders of outstanding common stock; 6½% subordinated convertible sinking fund debentures, series A, due 1970; and option agreements for the purchase of common shares. Warrants will be issued on the basis of one right for each common share held on the record date, one right for each share issuable upon conversion of a series A debenture, as if such debenture had been converted, and one right for each share issuable under the option agreements. The warrants will provide that one new share will be issuable for each eight rights tendered. **Price**—To be supplied by amendment. **Business**—The company's activities are organized on a divisional basis—Business Machines, Communications and Electronics, Business Forms, Burke Golf and Worthington Golf Ball Divisions. **Proceeds**—For the repayment of debt and for working capital. **Office**—5600 West Jarvis Ave., Chicago, Ill. **Underwriters**—To be named.

Computer Equipment Corp.

April 15, 1961 (letter of notification) 46,780 shares of common stock (no par) to be offered for subscription by stockholders on the basis of one new share for each 10 shares held. **Price**—\$2.10 per share. **Proceeds**—For research and production, and general corporate purposes. **Office**—11612 W. Olympic Blvd., Los Angeles, Calif. **Underwriter**—Holton, Henderson & Co., Los Angeles, Calif.

Consolidated Activities, Inc. (5/22)

Feb. 28, 1961 filed \$1,000,000 of 6½% convertible subordinated debentures, due April 30, 1976, to be offered by the company and 50,000 shares of common stock (par 50c) to be offered by a selling stockholder. **Price**—(Debenture) 101% of the principal amount. (Stock) \$3.50 per share. **Business**—The issuer is principally engaged in the construction and operation of bowling alleys. **Proceeds**—To retire a mortgage and outstanding debentures, for construction of a new bowling alley, for general corporate purposes. **Office**—26 West Northfield Road, Livingston, N. J. **Underwriter**—G. F. Nicholls & Co., Inc., 1 Maiden Lane, New York 38, N. Y.

Consolidated Bowling Corp.

March 29, 1961 filed 738,000 shares of common stock and \$900,000 of 6% convertible subordinated debentures, due in July, 1981. **Prices**—For the stock: \$3.50 per share; for the debentures: 100% of principal amount. **Business**—Operates bowling centers and owns real estate. **Proceeds**—For expansion. **Office**—880 Military Road, Niagara Falls, N. Y. **Underwriter**—None.

Consolidated Business Systems, Inc. (5/17)

March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—\$4 per share. **Business**—The design, development, manufacture and sale of standard and custom made printed and lithographed business forms. **Proceeds**—To repay loans, purchase additional equipment, and for working capital. **Office**—400 Jersey Avenue, New Brunswick, N. J. **Underwriter**—Milton D. Blauner & Co., Inc., and M. L. Lee & Co., Inc., both of New York City.

Consolidated Cigar Corp.

April 10, 1961 filed 275,000 shares of common stock (par \$1), being offered for subscription by holders of out-

standing common stock at the rate of one new share for each 8 shares held of record May 8 with rights to expire May 24. **Price**—\$39 per share. **Business**—The manufacture and sale of cigars. **Proceeds**—For expansion. **Office**—529 Fifth Avenue, New York City. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

Consolidated Edison Co. of New York, Inc. (6/20)

May 9, 1961 filed 50,000,000 of 30-year first mortgage bonds. **Office**—4 Irving Place, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received at the company's office on June 20 at 11 a.m. **Information Meeting**—Scheduled for June 13 at 10 a.m., on the 13th floor of 4 Irving Place, New York City.

Consolidated Natural Gas Co. (5/24)

April 24, 1961 filed \$40,000,000 of debentures due May 1, 1986. **Business**—A holding company for six operating concerns engaged in the natural gas business. **Proceeds**—For construction. **Office**—30 Rockefeller Plaza, New York 20, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co., and First Boston Corp. (jointly); White, Weld & Co., and Paine, Webber, Jackson & Curtis (jointly). **Bids**—To be received on May 24 at 11:30 a.m. (DST) in Room 3000, 30 Rockefeller Plaza, New York City. **Information Meeting**—Scheduled for May 19 at 10:30 a.m. (DST) at the Bankers Club, 40th Floor, 120 Broadway, New York City.

Consumers Automatic Vending, Inc. (5/29)

March 31, 1961 filed 100,000 shares of common stock (par 10 cents). **Price**—\$5 per share. **Business**—The installation, maintenance and servicing of automatic vending machines, including complete in-plant automatic cafeterias, in the metropolitan New York area. **Proceeds**—For equipment, the reduction of debt and other corporate purposes. **Office**—59-05 56th Street, Maspeth, N. Y. **Underwriters**—Doran, Norman & Co., and V. S. Wickett & Co., Inc., both of New York City.

Continental Trust Co.

March 15, 1961 (letter of notification) 297,000 shares of preferred stock and 297,000 shares of common stock to be offered in units of one share of preferred and one share of common. **Price**—\$1.01 per unit. **Proceeds**—For operating expenses. **Office**—Scottsdale Savings Building, Scottsdale, Ariz. **Underwriter**—Preferred Securities, Inc., Phoenix, Ariz.

Cortez Life Insurance Co.

Jan. 12, 1961 filed 500,000 shares of common stock. **Price**—\$3 per share. **Business**—The company is engaged in the business of writing life insurance, annuity policies and re-insurance. **Proceeds**—For general corporate purposes. **Office**—304 Main St., Grand Junction Colo. **Underwriter**—None.

Criterion Insurance Co.

March 27, 1961 filed 515,000 shares of common stock (par \$2), being offered for subscription by common stockholders of Government Employees Life Insurance Co., and Government Employees Corp., on the basis of one new share for each 10 shares held of record March 30, and by stockholders of Government Employees Insurance Co., on the basis of one new share for each five shares held of record March 30, with rights to expire June 5. **Price**—\$6 per share. **Business**—The company was organized on March 22, 1961 by the management of the three Government Employees Group companies and plans to engage in all kinds of fire and casualty insurance business. **Proceeds**—For general corporate purposes. **Office**—Government Employees Insurance Building, Washington, D. C. **Underwriter**—None. **Note**—This statement was effective May 8.

Crowell-Collier Publishing Co.

March 14, 1961 filed \$12,000,000 of convertible subordinated debentures due 1981, being offered for subscription by common stockholders on the basis of \$100 of debentures for each 25 common shares held of record April 24 with rights to expire May 3. **Price**—To be supplied by amendment. **Business**—A holding company whose subsidiaries publish books and operate radio and TV stations. **Proceeds**—To repay loans. **Office**—640 Fifth Ave., New York City. **Underwriter**—Carl M. Loeb, Rhoades & Co., New York City (managing).

Crown Aluminum Industries Corp.

May 1, 1961 filed \$2,000,000 of convertible subordinated debentures due 1976. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of enameled aluminum siding and aluminum accessories. **Proceeds**—For plant expansion, new equipment and the development of new products. **Office**—5820 Center Avenue, Pittsburgh, Pa. **Underwriters**—Adams & Peck; Allen & Co., and Andresen & Co., all of New York City.

Curley Co. Inc. (5/23)

March 30, 1961 filed 50,000 shares of common stock (par \$1). **Price**—To be supplied by amendment. **Business**—The manufacture and packaging of household liquid detergents for distribution under private labels. **Proceeds**—For general corporate purposes. **Office**—Jefferson and Masters Sts., Camden, N. J. **Underwriter**—Carter, Berlind, Potoma & Weill, New York City (managing).

Customline Control Panels, Inc.

Feb. 21, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price**—\$2.50 per share. **Business**—Manufacturers of control panels for centralized control of chemical and industrial processes. **Proceeds**—For a training program for additional engineering personnel; additional capital equipment; payment of a bank loan; opening of a Los Angeles sales and engineer-

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ing office; research and development and working capital. **Office**—1379 E. Linden Avenue, Linden, N. J. **Underwriter**—Blaha & Co., Inc., Long Island City, N. Y.

Dalto Corp.

March 29, 1960 filed 431,217 shares of common stock to be offered for subscription by holders of such stock of record Oct. 7 at the rate of one-and-a-half new shares for each share then held. **Price**—\$1.25 per share. **Proceeds**—For the retirement of notes and additional working capital. **Office**—Norwood, N. J. **Underwriter**—Sterling, Grace & Co., 50 Broad St., New York City. **Offering**—Indefinitely postponed.

Data Processing, Inc.

April 12, 1961 (letter of notification) 75,000 shares of no par common stock. **Price**—\$4 per share. **Business**—The research, design and development of advanced digital computer programs. **Proceeds**—To purchase or lease computer equipment. **Office**—1334 Main St., Waltham, Mass. **Underwriter**—First Weber Securities Corp., 79 Wall St., New York City.

Datatrol Corp.

April 26, 1961 filed 60,000 shares of common stock. **Price**—\$4.25 per share. **Business**—The company acts as a consultant or advisor in matters pertaining to data processing problems and equipment. **Proceeds**—To develop data processing systems and for working capital. **Office**—8113-A Fenton Street, Silver Spring, Md. **Underwriter**—First Investment Planning Co., Washington, District of Columbia.

★ Davidson Optronics, Inc.

May 1, 1961 (letter of notification) 50,000 shares of capital stock (par \$1). **Price**—\$6 per share. **Proceeds**—To pay current liabilities and for working capital. **Office**—2223 Ramona Boulevard, West Covina, Calif. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo.

Davis Industries

March 16, 1961 (letter of notification) 100,000 shares of common stock. **Price**—\$3 per share. **Office**—111 North La Cienega Blvd., Beverly Hills, Calif. **Underwriter**—Raymond Moore & Co., Los Angeles, Calif.

De-Electronics, Inc.

April 13, 1961 (letter of notification) 112,000 shares of common stock (par 10 cents). **Price**—\$1 per share. **Business**—The manufacture of electronic components and assemblies. **Proceeds**—For the purchase of inventory; manufacturing facilities and working capital. **Office**—50 E. Third St., Mount Vernon, N. Y. **Underwriter**—Theodore Arrin & Co., New York, N. Y.

★ De Soto Chemical Coatings, Inc.

May 4, 1961 filed 1,000,000 outstanding shares of common stock, to be offered for public sale by the present holder thereof (Sears, Roebuck & Co.). **Price**—To be related to the current market price of the stock on the New York Stock Exchange at the time of the sale. **Business**—The manufacture and sale of paints, industrial coatings and wallpaper. **Proceeds**—For the selling stockholder. **Address**—1350 South Kostor Ave., Chicago, Ill. **Underwriters**—Goldman, Sachs & Co., and Lehman Brothers, New York City.

★ Dean Milk Co. (5/17)

March 31, 1961 filed 150,093 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 50,093 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The wholesale distribution of milk and milk products in the middle west. **Proceeds**—For the repayment of debt and for working capital. **Office**—3600 River Road, Franklin Park, Ill. **Underwriter**—A. G. Becker & Co., Chicago (managing).

★ Decitron Electronics Corp.

March 16, 1961 filed 50,000 shares of common stock (par one cent), of which 30,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price**—\$2 per share. **Business**—The design, manufacture and sale of electronic equipment for the U. S. Government. **Proceeds**—For research and development and for working capital. **Office**—850 Shepherd Ave., Brooklyn, N. Y. **Underwriter**—M. L. Lee & Co., New York City. **Offering**—Expected in late May.

Delta Design, Inc.

Sept. 28, 1960 filed 100,000 shares of capital stock. **Price**—\$4.50 per share. **Business**—Development of vacuum system components. **Proceeds**—For acquisition of land and construction of a factory; purchase of new machinery and tooling; inventory and working capital. **Office**—3163 Adams Ave., San Diego, Calif. **Underwriter**—None.

Development Corp. of America

March 30, 1961 filed 200,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The development and construction of single-family residences and communities in Florida. **Proceeds**—For general corporate purposes. **Office**—5707 Hollywood Boulevard, Hollywood, Fla. **Underwriter**—Amos Treat & Co., Inc., New York City (managing). **Offering**—Expected in June.

Di Giorgio Fruit Corp.

April 10, 1961 filed 275,000 shares of common stock (par \$2.50). **Price**—To be supplied by amendment. **Business**—The production, harvesting and marketing of agricultural products, especially fruits. **Proceeds**—For the repayment of a loan. **Office**—350 Sansome Street, San Francisco, Calif. **Underwriter**—Dean Witter & Co., San Francisco. **Offering**—Expected in late May.

Diotron, Inc.

March 29, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—\$3 per share. **Proceeds**—For raw materials, production, testing and working

capital. **Office**—3650 Richmond St., Philadelphia, Pa. **Underwriter**—Royer Securities Co., Philadelphia, Pa.

Dixon Chemical Industries, Inc.

March 31, 1961 filed \$1,500,000 of 6% convertible subordinated income debentures due 1981 to be offered for subscription by holders of the company's common stock. **Price**—To be supplied by amendment. **Business**—The manufacture of sulfuric acid. **Proceeds**—For the construction of a new plant and for working capital. **Office**—1260 Broad Street, Bloomfield, N. J. **Underwriter**—P. W. Brooks & Co., Inc., New York City (managing). **Offering**—Expected in late May to early June.

Dixon Chemical & Research, Inc.

March 31, 1961 filed \$2,900,000 of 6% convertible sinking fund debentures, due 1978. **Price**—To be supplied by amendment. **Business**—The production of sulfuric acid, liquid sulfur dioxide, aluminum sulfate, chromic acid and corrosion-resistant coatings. **Proceeds**—For construction of a new plant, repayment of debt, and working capital. **Office**—1260 Broad Street, Bloomfield, N. J. **Underwriter**—P. W. Brooks & Co., Inc., New York City (managing). **Offering**—Expected in late May to early June.

★ Dodge Wire Corp. (5/29-6/1)

Dec. 7, 1960, filed 100,000 shares of common stock. **Price**—\$6 per share. **Business**—The manufacture of woven aluminum screen cloth. **Proceeds**—The repayment of indebtedness and general corporate purposes. **Office**—Industrial Blvd., Covington, Ga. **Underwriter**—Plymouth Securities Corp., New York City.

Dollar Mutual Fund, Inc.

April 25, 1961 filed 100,000,000 shares of capital stock. **Price**—\$1 per share. **Business**—A diversified mutual fund. **Proceeds**—For investment. **Office**—736 Midland Bank Bldg., Minneapolis, Minn. **Underwriter**—Fund Distributors, Inc.

Dolomite Glass Fibres, Inc.

Dec. 27, 1960 filed 200,000 shares of 7% preferred stock (cumulative - convertible); 200,000 class A common shares (voting) and 1,000,000 common shares (non-voting). **Price**—\$10 per share for the preferred and \$1 per share for the class A and common shares. **Business**—The manufacture and sale of glass fibre for insulation and glass fibre threads, mats and rovings for use in the production of reinforced plastics. **Proceeds**—For working capital and the purchase of additional equipment. **Office**—1037 Jay St., Rochester, N. Y. **Underwriter**—None.

Doughboy Industries, Inc.

April 12, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of flour used for spaghetti, macaroni and noodles; the production of animal feeds, plastic toys and swimming pools, and the manufacture of machinery for heat sealing and labeling containers. **Proceeds**—For working capital and the repayment of loans. **Office**—New Richmond, Wis. **Underwriter**—Kallman & Co., Inc., St. Paul, Minn. (managing).

Dubow Chemical Corp.

April 10, 1961 (letter of notification) 80,000 shares of class A common stock (par one cent). **Price**—\$2.25 per share. **Business**—The development and manufacture of chemical products. **Proceeds**—For general corporate purposes. **Office**—222 Newbridge Ave., East Meadow, L. I., N. Y. **Underwriters**—Planned Investing Corp., New York City and Fidelity Investors Service, East Meadow, L. I., N. Y.

Duke Power Co.

March 14, 1961 filed 368,000 shares of common stock being offered for subscription by common stockholders on the basis of one new share for each 30 shares held of record April 24, with rights to expire May 15. **Price**—\$45 per share. **Proceeds**—To repay short-term loans. **Offices**—Charlotte 1, N. C.; Flemington, N. J., and 30 Rockefeller Plaza, New York City. **Underwriter**—None.

Duplex Vending Corp.

March 20, 1961 filed 160,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—A distributor of the coin-operated commercial washers, and dryers, heaters and other equipment produced by International Duplex Corp. **Proceeds**—For expansion and working capital. **Office**—641 Bergen St., Brooklyn, N. Y. **Underwriter**—Godfrey, Hamilton, Magnus & Co., New York City (managing). **Offering**—Expected in May.

★ Dynamic Measurements Co.

April 17, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—\$3 per share. **Proceeds**—For building, equipment, and working capital. **Address**—Jenkintown, Pa. **Underwriter**—Harrison & Co., Philadelphia, Pa.

Dynamic Vending Corp.

April 26, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—\$4 per share. **Business**—The purchase and sale of vending equipment and electrical appliances. **Proceeds**—For general corporate purposes and working capital. **Office**—44 Beaver Street, New York 4, N. Y. **Underwriter**—A. D. Gilhart & Co., Inc., New York, N. Y.

Eastern Camera & Photo Corp.

Dec. 29, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—\$4 per share. **Business**—Operating a chain of retail stores and concessions selling cameras, film and photographic supplies and equipment; also processes and prints black and white photographic film. **Proceeds**—To reduce indebtedness incurred by acquisitions, to pay notes due, and for general corporate purposes. **Office**—68 W. Columbia Street, Hempstead, N. Y. **Underwriter**—Casper Rogers & Co., Inc., New York, N. Y. **Note**—This company formerly was named Eastern Camera Exchange, Inc.

Eastern Lime Corp. (5/29-6/2)

March 31, 1961 filed \$700,000 of subordinated debentures, due 1976. **Price**—At 100% of principal amount. **Business**—The operation of a quarry in Kutztown, Pa., and the production of limestone for cement companies. **Proceeds**—For new equipment and the repayment of debt. **Office**—Kutztown, Pa. **Underwriters**—Stroud & Co., Inc., Philadelphia and Warren W. York & Co., Inc., Allentown, Pa. (co-managers).

★ Economy Book Co. (5/12)

March 15, 1961 filed 150,000 shares of common stock (par 10 cents) of which 75,000 shares are to be offered for public sale by the company and 75,000 outstanding shares, by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries are engaged principally in the binding of children's hard cover books. **Proceeds**—For new equipment, moving expenses and working capital. **Office**—511 Joyce Street, Orange, N. J. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Ed-U-Cards Mfg. Corp.

April 21, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Business**—The manufacture of card games and educational items. **Proceeds**—For repayment of loans; working capital; promotion, and new market developments. **Office**—1305 44th Avenue, Long Island City, N. Y. **Underwriters**—Kenneth Kass and J. J. Krieger & Co., Inc., New York, N. Y.

★ Electra International, Ltd.

May 5, 1961 filed 70,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture of products in the automotive ignition field for sale outside of the United States. **Proceeds**—For research, and development, and working capital. **Office**—222 Park Ave., South, New York City. **Underwriters**—Robert A. Martin Associates, Inc., and Ezra Kureen Co., both of New York City.

Electrarc, Inc.

April 21, 1961 filed 100,000 shares of common stock. **Price**—\$5 per share. **Business**—The research and development of arc welding and wire shielding. **Proceeds**—For equipment, working capital and miscellaneous expenses. **Office**—505 Washington St., Lynn, Mass. **Underwriter**—P. de Rensis & Co. Inc., Boston, Mass.

Electro Industries, Inc.

July 19, 1960 (letter of notification) 75,000 shares of class A common stock (no par) and 20,000 shares of additional class A common stock to be offered to the underwriters. **Prices**—Of class A common, \$2 per share; of additional class A common, 2½ cents per share. **Proceeds**—To expand the company's inventory to go into the packaging and export of electrical equipment, and for working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—Carleton Securities Corp., Washington, D. C.

Electronic Aids, Inc.

March 29, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—Engaged in medical electronics and the production of electronic teaching devices. **Proceeds**—To purchase equipment and raw materials, and for working capital. **Office**—857 N. Eutaw St., Baltimore, Md. **Underwriter**—R. Topik & Co., Inc., 295 Madison Ave., New York, N. Y.

Electronic Associates, Inc.

March 30, 1961 filed 75,000 shares of capital stock (par \$1). **Price**—To be supplied by amendment. **Business**—The development, production and sale of analog computers and precision electronic laboratory equipment; and also computer engineering services at three centers in the United States and Europe. **Proceeds**—To repay loans and for working capital. **Office**—Long Branch, N. J. **Underwriter**—W. C. Langley & Co., New York City (managing). **Offering**—Expected in late May.

Elgeet Optical Co., Inc.

March 28, 1961 filed 180,000 shares of common stock. **Price**—\$6.50 per share. **Business**—The production of lenses and optical systems for camera manufacturers. **Proceeds**—For repayment of bank loans, new machinery, research and development, with the balance for general corporate purposes. **Office**—838 Smith Street, Rochester, N. Y. **Underwriter**—Troster, Singer & Co., New York City (managing). **Offering**—Expected in late May.

Elion Instruments, Inc. (5/16)

Oct. 28, 1960 filed 60,000 outstanding shares of capital stock (par 50 cents), together with five-year warrants for the purchase of 6,000 new capital shares, to be offered for sale in units of one share of stock and one-tenth of a warrant. No sale will be made of less than 10 such units. **Price**—To be related to the price of the company's stock in the over-the-counter market immediately prior to the offering. **Business**—The firm makes and sells instruments and equipment for scientific and industrial measurement and analyses. **Proceeds**—To selling stockholders, who are two company officers who will lend the net proceeds to the company. **Office**—430 Buckley St., Bristol, Pa. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia, Pa.

★ Empire Devices, Inc. (6/5)

April 3, 1961 filed 105,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—Between \$10 and \$12 per share. **Business**—The manufacture of electronic test equipment. **Proceeds**—For the selling stockholders. **Office**—Amsterdam, N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Empire Life Insurance Co. of America

March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price**—\$10 per share. **Proceeds**—To go to selling stockholders. **Office**—2801 W. Roosevelt

Road, Little Rock, Ark. **Underwriter**—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Enterprise Equipment, Inc.

April 5, 1961 filed 12,000 shares of 6% cumulative preferred stock. **Price**—At par (\$25). **Business**—The company was organized in January, 1961, by Arden Farms Co., parent, to own and lease trucks and equipment used in the processing and distribution of dairy products. **Proceeds**—For general corporate purposes. **Office**—1501 Fourth Avenue South, Seattle, Wash. **Underwriter**—None.

Equity Capital Co.

April 7, 1961 filed 100,000 shares of common stock (par \$1.25). **Price**—To be supplied by amendment. **Business**—The making of short-term construction and second mortgage loans, and the buying of improvement loan obligations from the holders thereof. **Proceeds**—To retire debt and for working capital. **Office**—430 First Avenue North, Minneapolis, Minn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing). **Offering**—Expected some time in June.

Far West Financial Corp.

March 30, 1961 filed 950,000 shares of capital stock, of which a maximum of 770,000 shares will be offered for public sale by the company, and a maximum of 180,000 outstanding shares will be offered by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company owns a majority of State Mutual Savings & Loan Association capital stock and operates an insurance agency. **Proceeds**—To repay loans, and to make loans to developers of real estate projects. **Office**—415 West Fifth St., Los Angeles, Calif. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing). **Offering**—Expected in late May.

Faradyne Electronics Corp.

Jan. 30, 1961 filed \$2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for working capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co.

★ Federal Factors, Inc.

May 8, 1961 filed \$700,000 of 6½% convertible subordinated debentures due 1976 and 70,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—A finance company. **Proceeds**—To repay loans, and for working capital. **Office**—400 S. Beverly Drive, Beverly Hills, Calif. **Underwriters**—Thomas Jay, Winston & Co., Beverly Hills, Calif.; Maltz, Greenwald & Co. and Globus, Inc., New York, N. Y.

Federal Paper Board Co., Inc. (5/18)

April 18, 1961 filed \$20,000,000 of sinking fund debentures, due May 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of folding boxboard, paperboard, corrugated containers and machine made glassware. **Proceeds**—For a new mill at Versailles, Conn., and modernization of existing facilities. **Office**—24 River Road, Bogota, N. J. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Fiat Metal Manufacturing Co., Inc.

March 29, 1961 filed 220,462 outstanding shares of common stock (par 10 cents), to be offered for public sale by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of prefabricated metal shower cabinets, glass shower enclosures and pre-cast shower floors. **Proceeds**—For the selling stockholder. **Office**—Michael Court, Plainview, L. I., N. Y. **Underwriter**—Dempsey-Tegeler & Co., St. Louis and New York City. **Offering**—Expected in early-to-mid June.

Fidelity Bankers Life Insurance Corp.

April 27, 1961 filed 547,128 shares of common stock. **Price**—To be supplied by amendment. **Business**—The writing of ordinary, group and credit life insurance in 13 states and the District of Columbia. **Proceeds**—For additional capital. **Office**—Broad at Willow Lawn, Richmond, Va. **Underwriters**—Lee Higginson Corp., and Shearson, Hammill & Co., both of New York City (managing).

Filtors, Inc.

March 16, 1961 filed 271,000 shares of common stock, of which 122,000 shares are to be offered for public sale by the company and 149,000 outstanding shares, by the present holders thereof. **Price**—\$7 per share. **Business**—The design, manufacture and sale of subminiature and microminiature hermetically sealed relays. **Proceeds**—For general corporate purposes. **Office**—30 Sagamore Hill Drive, Port Washington, N. Y. **Underwriter**—Dempsey-Tegeler & Co., St. Louis (managing). **Offering**—Expected in early-to-mid June.

Fireco Sales Ltd.

March 31, 1961 filed 123,000 outstanding shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The service merchandising of non-food consumer items in Canada, mainly in supermarkets. **Proceeds**—For the selling stockholder. **Office**—33 Racine Rd., Rexdale (Toronto), Canada. **Underwriter**—McDonnell & Co., New York City (managing). **Offering**—Expected in late May.

First Small Business Corp. of New Jersey

April 18, 1961 filed 300,000 shares of capital stock (par \$1), to be offered for public sale by the present holder thereof. **Price**—\$12.50 per share. **Business**—A small business investment company organized in July, 1960, by the National State Bank of Newark, sole stockholder. **Proceeds**—For investment and working capital. **Office**—810 Broad St., Newark, N. J. **Underwriters**—Shearson, Hammill & Co., New York City and Heller & Meyer, East Orange, N. J. **Offering**—Expected in early June.

First Small Business Investment Company of Tampa, Inc.

Oct. 6, 1960 filed 500,000 shares of common stock. **Price**—\$12.50 per share. **Proceeds**—To provide investment capital. **Office**—Tampa, Fla. **Underwriter**—None.

Flato Realty Fund

April 21, 1961 filed 2,000,000 shares of participation in the Fund. **Price**—\$10 per share. **Business**—A new real estate investment trust. **Proceeds**—For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi, Texas.

★ Florida Metal Supply Corp.

April 27, 1961 (letter of notification) 42,800 shares of common stock (par 12½ cents) of which 40,000 shares are to be offered by the company and 2,800 shares by selling stockholders. **Price**—\$7 per share. **Proceeds**—To repay debt and for working capital. **Office**—3900 N. W. 32nd Ave., Miami, Fla. **Underwriters**—Lapham & Co., and Cortlandt Investing Corp., New York, N. Y.

Fox Head Brewing Co.

March 16, 1961 (letter of notification) 52,806 shares of common stock (par \$1.25). **Price**—At-the-market at time of sale. **Proceeds**—For redemption of preferred stock, and working capital. **Office**—227 Maple Avenue, Waukesha, Wis. **Underwriter**—Milwaukee Co., Milwaukee, Wis.

Fox-Stanley Photo Products, Inc. (6/5-9)

March 29, 1961 filed 387,500 shares of common stock (par \$1) of which 50,000 shares are to be offered for public sale by the company and 337,500 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—In May 1961 the company plans to take over the businesses of The Fox Co., San Antonio, Tex., and the Stanley Photo Service, Inc., St. Louis, Mo., which are now engaged in the processing of photographic films and the sale of photographic equipment. **Proceeds**—For working capital and possible future acquisitions. **Office**—1734 Broadway, San Antonio, Tex. **Underwriter**—Equitable Securities Corp., Nashville, Tenn.

Frederick-Willys Co., Inc.

April 20, 1961 (letter of notification) 150,000 shares of common stock (par five cents). **Price**—\$1.15 per share. **Proceeds**—To repay debt, purchase additional equipment, for research and development, and working capital. **Office**—6519 Nicollet Avenue, Minneapolis, Minn. **Underwriter**—Continental Securities, Inc., Minneapolis, Minn.

Friden, Inc.

March 30, 1961 filed 360,000 shares of common stock of which 150,000 shares are to be offered for public sale by the company and 210,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of various products such as calculators, adding machines, data processing equipment, Ticketograph machines and electronic heaters. **Proceeds**—For plant expansion, new equipment, prepayment of loans, and inventory. **Office**—2350 Washington Avenue, San Leandro, Calif. **Underwriters**—Dean Witter & Co., San Francisco and Merrill Lynch, Pierce, Fenner & Smith Inc., New York City. **Offering**—Expected in late May.

Frontier Airlines, Inc.

March 16, 1961 filed 250,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Business**—The transportation by air of passengers, property and mail between 66 cities in 11 states. **Proceeds**—For the selling stockholders. **Office**—5900 E. 39th Ave., Denver, Colo. **Underwriter**—To be named.

Fulton Industries, Inc.

Feb. 21, 1961 filed 233,955 shares of outstanding common stock. **Price**—To be supplied by amendment. **Business**—Produces textiles, automotive parts, metal castings, cotton ginning equipment and pre-engineered steel buildings. **Proceeds**—To selling stockholders. **Office**—Atlanta, Ga. **Underwriters**—Robinson-Humphrey Co., Inc., Atlanta, Ga., and Walston & Co., Inc., New York City (managing). **Offering**—Imminent.

Futterman Corp. (5/29)

March 31, 1961 filed 1,000,000 shares of class A stock (par \$1). **Price**—To be supplied by amendment. **Business**—The owning, managing, constructing, acquiring, leasing and sale of real estate properties. **Proceeds**—For the purchase of properties. **Office**—580 Fifth Avenue, New York City. **Underwriter**—Van Alstyne, Noel & Co., New York City (managing).

GPC, Inc.

March 27, 1961 filed 2,180 shares of class A common stock and \$125,000 principal amount of certificates of indebtedness to be offered in 1,680 units. **Price**—For the stock: \$25 per share. For the certificates: \$75 per unit. **Business**—The company is now constructing a 32 lane bowling center on Route 58 in Portsmouth, Va. **Proceeds**—For construction expenses. **Office**—316 New Kirm Building, Portsmouth, Va. **Underwriter**—None.

G-W Ameritronics, Inc.

Jan. 25, 1961 filed 80,000 shares of common stock and 100,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at \$2 per share from March to August 1961 and at \$3 per share from September 1962 to February 1964. **Price**—\$4 per unit. **Business**—The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds**—For general corporate purposes. **Office**—Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa. **Offering**—Expected in late May.

★ Gage Food Products Co.

April 28, 1961 (letter of notification) 1,000 shares of 7% convertible preferred stock and \$100,000 of five-year 7% debenture notes to be offered in \$100 units. **Price**—For preferred, at par (\$100); for debentures notes, \$90.91 per unit. **Proceeds**—For working capital. **Office**—820 N. Cicero Ave., Chicago, Ill. **Underwriter**—None.

● Gem International, Inc. (5/15)

April 6, 1961 filed 150,000 outstanding shares of common stock (par \$1). **Price**—To be supplied by amendment. **Business**—The operation of closed-door membership department stores in Denver, Kansas City, St. Louis, Minneapolis, Wichita, Washington, D. C., and Honolulu. **Proceeds**—For the selling stockholders. **Office**—10900 Page Boulevard St. Louis, Mo. **Underwriters**—Bosworth, Sullivan & Co., Inc., Denver, Colo., and Scherck, Richter Co., St. Louis, Mo. (managing).

● General Economics Corp.

March 8, 1961 filed 130,000 shares of common stock. **Price**—\$5 per share. **Business**—The company is active in the over-the-counter market as both broker and principal, sells mutual fund securities and life insurance, and finances the payment of life insurance premiums. **Proceeds**—For additional working capital. **Office**—130 W. 42nd Street, New York City. **Underwriter**—Continental Planning Co., 130 W. 42nd Street, New York City.

General Resistance, Inc.

April 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The manufacture of precision wire sound resistors, resistance networks and measuring instruments. **Proceeds**—For repayment of loans; working capital and general corporate purposes. **Office**—430 Southern Boulevard, Bronx, N. Y. **Underwriters**—Flomenhaft, Seidler & Co., Inc., New York, N. Y., and I. R. E. Investors Corp., Levittown, N. Y.

Geriatric Pharmaceutical Corp.

Feb. 28, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—\$4 per share. **Business**—The distribution and sale of geriatric pharmaceuticals. **Proceeds**—For general corporate purposes. **Office**—45 Commonwealth Boulevard, Bellerose, N. Y. **Underwriter**—T. M. Kirsch Co., New York, N. Y. **Offering**—Imminent.

● Giannini Scientific Corp.

Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par 10 cents). **Price**—\$10 per share. **Business**—Research, development and manufacturing in technological fields. **Proceeds**—For general corporate purposes. **Office**—30 Broad Street, New York, N. Y. **Underwriter**—Kidder, Peabody & Co., Inc., New York, N. Y. **Offering**—Expected in late May.

Gilbert Data Systems, Inc.

April 14, 1961 filed 175,000 shares of common stock. **Price**—\$2 per share. **Business**—The affixing of price tags, packing, warehousing of apparel and other services for department and chain stores. **Proceeds**—For plant additions, repayment of debt and working capital. **Office**—441 Ninth Ave., New York City. **Underwriter**—Schrijver & Co., New York City.

Girard Industries Corp.

March 22, 1961 filed 100,000 shares of common stock (par 50 cents). **Price**—\$5 per share. **Business**—The manufacture, and sale of certain types of furniture to retail dealers. **Proceeds**—For a new plant, equipment and working capital. **Office**—San Juan, Puerto Rico. **Underwriter**—Edwards & Hanly, Hempstead, N. Y. (managing). Brand, Grumet & Seigel, Inc.; Kesselmann & Co., Inc.; Casper Rogers & Co., Inc., New York City. **Offering**—Expected in late May.

● Golden Triangle Industries, Inc. (5/29)

March 29, 1961 filed 87,500 shares of common stock. **Price**—\$4 per share. **Business**—The manufacture and sale of doll carriages, hobby horses and pony stock horses. **Proceeds**—For working capital. **Office**—100 South 30th and Jane Streets, Pittsburgh, Pa. **Underwriter**—Robert M. Harris & Co., Inc., Philadelphia.

Gordon & Breach, Science Publishers, Inc.

April 21, 1961 (letter of notification) 80,000 shares of common stock (par 10 cents). **Price**—\$1.75 per share. **Business**—Publishers of scientific textbooks. **Proceeds**—For working capital. **Office**—150 Fifth Avenue, New York, N. Y. **Underwriter**—First Weber Securities Corp., New York, N. Y. **Offering**—Expected in late May.

★ Gordon Jewelry Corp.

May 5, 1961 filed 140,000 shares of class A stock. **Price**—To be supplied by amendment. **Business**—The company conducts a retail credit jewelry business and has two life insurance subsidiaries. **Proceeds**—For expansion. **Office**—Stewart Bldg., Houston, Texas. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

★ Graegle Doll Corp.

April 19, 1961 (letter of notification) 250,000 shares of common stock. **Price**—At par (\$1 per share). **Proceeds**—For construction and working capital. **Address**—Graegle, Calif. **Underwriter**—None.

Grayco Credit Corp.

Jan. 16, 1961 (letter of notification) \$150,000 of 10-year 7% sinking fund debentures and 75,000 shares of common stock (par \$1) to be offered in units consisting of 50 shares of common and \$100 of debentures. **Price**—\$200 per unit. **Proceeds**—For working capital. **Office**—1012 Market St., Johnson City, Tenn. **Underwriter**—Branum Investment Co., Inc., Nashville, Tenn.

Great Lakes Bowling Corp.

Feb. 24, 1961 filed \$1,250,000 of 6% convertible subordinated debentures, due 1976. **Price**—\$1,000 per debenture. **Business**—The operation of bowling centers with

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adjoining refreshment facilities in Michigan. **Proceeds**—For construction and working capital. **Office**—6366 Woodward Ave., Detroit, Mich. **Underwriter**—None.

Great Southern Financial Corp.

March 15, 1961 filed 500,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company plans to engage in the insurance and finance business. **Proceeds**—To organize subsidiaries. **Office**—First National Bank Bldg., Gadsden, Ala. **Underwriter**—None.

Greater Arizona Mortgage Co.

May 1, 1961 (letter of notification) 100,000 shares of common stock (par \$1). **Price**—\$3 per share. **Proceeds**—For working capital. **Office**—Mayer Central Building, Suite 115, Phoenix, Ariz. **Underwriters**—Henry Fricke Co., New York, N. Y. and Preferred Securities, Inc., Phoenix, Ariz.

Grosset & Dunlap, Inc.

March 31, 1961 filed 436,086 shares of common stock (par \$1), of which 210,320 shares are to be offered for public sale by the company and 225,766 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The publication and distribution of hard cover and paperback books for adults and children. **Proceeds**—For the purchase of additional stock in Bantam Books, Inc., Wonder Books, Inc., and Treasure Books, Inc., and for working capital. **Office**—1107 Broadway, New York City. **Underwriter**—Blyth & Co., Inc., New York City (managing). **Offering**—Imminent.

Growth Properties

May 9, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To reduce indebtedness, construct apartment units, buy land, and for working capital. **Office**—San Rafael, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif.

Guaranty National Insurance Co.

Feb. 27, 1961 (letter of notification) 120,000 shares of common stock (par 50 cents). **Price**—\$2.50 per share. **Proceeds**—For investment and the operation of the company. **Office**—916 Broadway, Denver, Colo. **Underwriter**—Copley & Co., Colorado Springs, Colo.

Hager Inc.

March 31, 1961 filed 200,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The financing and sale of household food freezers and frozen foods to the consumer. **Proceeds**—For the repayment of debt and working capital. **Office**—2926 Fairfield Ave., Bridgeport, Conn. **Underwriter**—Marron, Sloss & Co., Inc., New York City (managing). **Offering**—Expected in mid-June.

Hallicrafters Co.

April 25, 1961 filed 300,000 shares of outstanding capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of short wave radio sets and military electronic equipment. **Proceeds**—To selling stockholders. **Office**—4401 W. 5th Ave., Chicago, Ill. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Harcourt Brace & World, Inc. (5/16)

March 24, 1961 filed 101,398 outstanding shares of common stock (par \$1) **Price**—To be supplied by amendment. **Business**—The publication and sale of textbooks, school materials, aptitude tests, and general books. **Proceeds**—For the selling stockholders. **Office**—750 Third Ave., New York City. **Underwriter**—White, Weld & Co., Inc., New York City (managing).

Hardeman (Paul), Inc.

April 26, 1961 filed 350,000 shares of common stock (par 25 cents). **Price**—To be supplied by amendment. **Business**—The design, engineering, construction and installation of missile launching bases and related facilities for the armed forces. **Proceeds**—For working capital. **Office**—Stanton, Calif. **Underwriter**—Michael G. Kletz & Co., New York City (managing).

Harrisonville Telephone Co.

April 3, 1961 (letter of notification) 12,500 shares of common stock (par \$20) to be offered for subscription by stockholders on the basis of one new share for each two shares held. **Price**—\$22.50 per share. **Proceeds**—For the repayment of loans, and working capital. **Address**—Waterloo, Ill. **Underwriter**—McCourtney-Breckenridge & Co., St. Louis, Mo.

Harvey House, Inc.

May 8, 1961 filed 140,000 shares of common stock. **Price**—\$3 per share. **Business**—The publication and distribution of educational books and materials. **Proceeds**—For expansion and the repayment of debt. **Office**—5 South Buckout Street, Irvington-on-Hudson, New York. **Underwriter**—Michael G. Kletz & Co., New York City (managing).

Harvey's Stores, Inc.

April 28, 1961 filed 150,000 outstanding shares of class A stock to be offered for public sale by the present holders thereof. **Price**—\$7.50 per share. **Business**—The operation of a chain of women's wear and children's apparel stores in Ohio, Indiana, Illinois and Michigan. **Proceeds**—For the selling stockholders. **Office**—500 Seventh Avenue, New York City. **Underwriter**—Maltz, Greenwald & Co., New York City (managing). **Offering**—Expected in mid-June.

Harwyn Publishing Corp. (5/22-26)

March 30, 1961 filed 110,000 shares of class A common stock (par 10 cents). **Price**—\$3.75 per share. **Business**—The publishing of illustrated encyclopedic works, principally for children. **Proceeds**—For general corporate purposes. **Office**—170 Varick Street, New York City. **Underwriter**—N. A. Hart & Co., Bayside, N. Y.

Hathaway Instruments, Inc.

May 5, 1961 filed 351,280 shares of common stock, of which up to 90,000 shares are to be offered for public sale by the present holders thereof and the balance by the company. **Price**—At-the-market at time of sale. **Business**—The design, manufacture and sale of electric power recording instruments. **Office**—2401 E. Second Avenue, Denver, Colo. **Underwriters**—Bear, Stearns & Co. and Wertheim & Co., New York, N. Y.

Hickory Industries, Inc.

March 9, 1961 (letter of notification) 25,000 shares of common stock (par 10 cents). **Price**—\$5 per share. **Business**—Manufacturers of barbecue machines and allied equipment. **Proceeds**—For general corporate purposes. **Office**—10-20 47th Road, Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., New York, N. Y. **Offering**—Imminent.

Holiday Sportswear, Inc.

April 21, 1961 filed 86,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of specialized bowling apparel for men, women and children. **Proceeds**—For additional working capital. **Office**—311 West Eighth St., Kansas City, Mo. **Underwriter**—George K. Baum & Co., Kansas City, Mo. (managing).

Howard Johnson Co. (5/29)

March 13, 1961 filed 660,000 outstanding shares of common stock (par \$1). **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries operate and supply a large restaurant chain. **Proceeds**—For the selling stockholders. **Office**—89 Beale St., Wollaston, Mass. **Underwriters**—Blyth & Co., Inc., New York City and F. S. Moseley & Co., Boston, Mass. (Co-managers).

Howe Plastics & Chemical Companies, Inc.

March 29, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—At-the-market. **Business**—The manufacture of plastic items. **Proceeds**—For the repayment of debt; advertising and sales promotion; expansion and working capital. **Office**—4077 Park Avenue, Bronx 57, N. Y. **Underwriter**—J. I. Magaril Co., New York, N. Y.

Hydrosift Corp.

Oct. 20, 1960 filed 70,000 shares of common stock. **Price**—\$5 per share. **Business**—The firm, which was organized in February, 1957, makes and wholesales products and services for the fiberglass industry, including particularly fiberglass boats known as "HydroSwift" and "Skyliner." **Proceeds**—For general funds, including expansion. **Office**—1750 South 8th Street, Salt Lake City, Utah. **Underwriter**—Whitney & Co., Salt Lake City, Utah.

I C Inc.

June 29, 1960 filed 600,000 shares of com. stock (par \$1) **Price**—\$2.50 per share. **Proceeds**—To further the corporate purposes and in the preparation of the concentrate and enfranchising of bottlers, the local and national promotion and advertising of its beverages, and where necessary to make loans to such bottlers, etc. **Office**—764 Equitable Building, Denver, Colo. **Underwriters**—Purvis & Co. and Amos C. Sudler & Co., both of Denver, Colo.

I T A Electronics Corp.

April 7, 1961 (letter of notification) 60,000 shares of common stock. **Price**—\$5 per share. **Business**—Manufactures electronic equipment and components. **Proceeds**—For general corporate purposes. **Office**—Lansdown, Pa. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa.

Income Planning Corp. (6/5-9)

Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. **Price**—\$40 per unit. **Proceeds**—To open a new branch office, development of business and for working capital. **Office**—3300 W. Hamilton Boulevard, Allentown, Pa. **Underwriter**—Espy & Wanderer, Inc., Teaneck, N. J.

Income Properties, Inc. (6/12-16)

March 31, 1961 filed 150,000 shares of class A stock (par 50 cents). **Price**—\$9.75 per share. **Business**—Formerly known as Price Investors Corp., the company owns and operates six apartment houses and plans to construct two more. **Proceeds**—To repay debt and for working capital. **Office**—1801 Dorchester Road, Brooklyn, N. Y. **Underwriter**—Eisele & King, Lebaire, Stout & Co., New York City (managing).

Indiana & Michigan Electric Co. (5/31)

April 20, 1961 filed \$20,000,000 of sinking fund debentures due 1986. **Proceeds**—For the prepayment of bank loans, and working capital. **Offices**—2101 Spy Run Ave., Fort Wayne, Ind., and 2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co.; First Boston Corp.; Harriman Ripley & Co., Inc. **Bids**—To be received on May 31 at 11:30 a.m. (DST). **Information Meeting**—Scheduled for May 26 at 3 p.m. (DST) at American Electric Power Service Corp., 2 Broadway (11th floor) New York City.

Industrial Control Products, Inc.

March 10, 1961 filed 165,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The engineering, designing and precision machining of electronic components. **Proceeds**—For research and development, inventory, equipment, start-up costs of semi-conductor production, and for working capital. **Office**—78 Clinton Rd., Caldwell Township, N. J. **Underwriter**—Edward Hindley & Co., New York City.

Industrial Instrument Corp.

Feb. 27, 1961 filed 60,000 shares of 6% second series cumulative convertible preferred stock (par \$10) to be offered

for subscription by the holders of its outstanding common and first series preferred stock on the basis of one new share of preferred for each eight shares of common and one new share for each share of preferred held. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of instruments used to measure and control the flow, level, pressure and temperature of liquids and gases. **Proceeds**—To repay loans, buy new equipment and for working capital. **Office**—8400 Research Road, Austin, Texas. **Underwriter**—None.

Industrial Materials, Inc.

April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—\$2 per share. **Proceeds**—For expenses, equipment and working capital. **Office**—1025 Shoreham Bldg., Washington, D. C. **Underwriter**—Atlantic Securities Co., Washington, D. C.

Intercontinental Motels, Ltd.

March 28, 1961 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price**—\$2 per share. **Proceeds**—For acquiring Fleetwood Motel Corp. and working capital. **Office**—Towne House Motor Lodge, P. O. Box 1061, Martinsville, Va. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

International Flight Caterers, Inc.

May 1, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price**—\$4 per share. **Proceeds**—For plant facilities, special food trucks and working capital. **Address**—Miami, Fla. **Underwriter**—Amber, Burstein & Co., Inc., 40 Exchange Place, New York, N. Y.

International Photocopy Corp.

Feb. 28, 1961 (letter of notification) 100,000 shares of common stock. **Price**—\$3 per share. **Business**—Manufacturer and distributor of office photocopying equipment, chemicals and paper. **Proceeds**—For expansion and working capital. **Office**—564 W. Randolph St., Chicago, Ill. **Underwriter**—J. J. Krieger & Co., New York City.

Interstate Power Co. (5/18-6/2)

March 16, 1961 filed 202,333 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each 16 shares held of record May 18, with rights to expire June 2. **Price**—To be supplied by amendment. **Proceeds**—To repay bank loans and for construction. **Offices**—1000 Main Street, Dubuque, Iowa, and 111 Broadway, New York City. **Underwriter**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Salomon Bros. & Hutzler; Merrill Lynch, Pierce, Fenner & Smith Inc.; White, Weld & Co. **Bids**—To be received on May 18 at 11 a.m. (DST) on the 23rd floor of The Chase Manhattan Bank, One Chase Manhattan Plaza, New York City. **Information Meeting**—Scheduled for May 8 at 3 p.m. (DST) on the 28th floor of the above bank.

Interstate Power Co. (5/18)

March 16, 1961 filed \$9,000,000 of first mortgage bonds, due 1991. **Proceeds**—To repay bank loans and for construction. **Office**—1000 Main St., Dubuque, Iowa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; White, Weld & Co.; Salomon Bros. & Hutzler. **Bids**—To be received on May 18 up to 11:30 a.m. (DST) at the office of The Chase Manhattan Bank, One Chase Plaza, New York 5, N. Y., 23rd floor. **Information Meeting**—Scheduled for May 8, at 3 p.m. (DST) at One Chase Manhattan Plaza (28th floor) New York City.

Invesco Collateral Corp.

March 6, 1961 filed \$900,000 of 6% registered subordinated debentures to be offered in three series of \$300,000 each, due June 30, 1965, 1966 and 1967, respectively. **Price**—\$4,315; \$4,190 and \$4,079 per \$5,000 of debentures. **Business**—The company, a wholly-owned subsidiary of Investors Funding Corp. of New York was organized under New York law in June, 1960, to purchase, invest in and sell real estate mortgages. **Proceeds**—For investment. **Office**—511 Fifth Avenue, New York City. **Underwriter**—None.

Invest Fund, Inc.

Feb. 20, 1961 filed 150,000 shares of common stock. **Price**—Net asset value at the time of the offering. **Business**—A non-diversified, open-end investment company, whose stated objective is capital appreciation. **Proceeds**—For investment. **Office**—One State Street, Boston, Mass. **Underwriter**—Invest, Inc., One State Street, Boston, Mass.

Investors Funding Corp. of New York

May 1, 1961 filed \$2,000,000 of registered subordinated debentures due 1976 (with class A warrants to purchase 20,000 class A shares) and 40,000 shares of class A stock to be offered for public sale in units consisting of one \$500 debenture and 10 class A shares. **Price**—\$650 per unit. **Business**—The buying, selling and investing in real estate particularly apartment houses in the New York City area. **Proceeds**—For general corporate purposes. **Office**—630 Fifth Avenue, New York City. **Underwriter**—Eisele & King, Lebaire, Stout & Co., New York City.

Investors Preferred Life Insurance Co.

March 30, 1961 filed 400,000 shares of common stock. **Price**—\$2.40 per share. **Business**—The company is authorized to sell life, accident and health insurance. **Proceeds**—To be added to capital and surplus. **Office**—310 Spring Street, Little Rock, Ark. **Underwriter**—Life Securities, Inc., P. O. Box 3662, Little Rock.

Irrington Steel & Iron Works (5/15)

Feb. 13, 1961 (letter of notification) 150,000 shares of common stock (par 50 cents). **Price**—\$2 per share. **Business**—Fabricators of structural steel. **Proceeds**—For general corporate purposes. **Office**—Somerset Street, New Brunswick, N. J. **Underwriter**—L. L. Fane & Co., Inc., Plainfield, N. J.

"Isras" Israel-Rassco Investment Co. Ltd.

March 27, 1961 filed 30,000 shares of ordinary stock. Price—\$62 per share. The company may, but is not obligated to, accept payment in State of Israel bonds. **Proceeds**—For the construction of hotels, office buildings, housing projects and the like. **Office**—Tel Aviv, Israel. **Underwriter**—None.

Jackson National Life Insurance Co.

April 11, 1961 filed 300,000 shares of class A common stock. Price—\$4 per share. **Business**—The company plans to engage in the life insurance business. **Proceeds**—For capital funds, and working capital. **Office**—245 West Michigan Avenue, Jackson, Mich. **Underwriter**—Apex Investment Co., Detroit.

Jefferson Counsel Corp.

March 13, 1961 filed 30,000 shares of class B common stock (non-voting). Price—\$10 per share. **Business**—The company was organized under Delaware law in January 1961 to sponsor the organization of the Jefferson Growth Fund, Inc., a new open-end diversified investment company of the management type. **Proceeds**—For organizational and operating expenses. **Office**—52 Wall St., New York City. **Underwriter**—None.

Jodmar Industries, Inc.

Feb. 24, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price—\$4 per share. **Business**—Design, lay-out, installation and maintenance of industrial heating and air-conditioning systems. **Proceeds**—For the purchase of inventory for current business; purchase of machinery, equipment and inventory for proposed manufacturing business; sales promotion and reserves. **Office**—8801-11 Farragut Road, Brooklyn 36, N. Y. **Underwriter**—Fontana Securities, Inc., 82 Beaver Street, New York, N. Y.

Jolyn Electronic Manufacturing Corp.

April 24, 1961 (letter of notification) 64,500 shares of common stock (par one cent). Price—\$3 per share. **Business**—The manufacture of machine tool products, drift meters, sextants and related items. **Proceeds**—For repayment of a loan, working capital, and general corporate purposes. **Office**—Urban Avenue, Westbury, L. I., N. Y. **Underwriter**—Kerns, Bennett & Co., Inc., New York, N. Y.

★ Jordan (Edith), Inc.

May 1, 1961 (letter of notification) 32,488 shares of common stock (no par). Price—\$7.50 per share. **Proceeds**—For a product line, inventory, and reserve credit. **Office**—524 Franklin Street, Fayetteville, N. C. **Underwriters**—Powell, Kistler & Co., Fayetteville, N. C.; French & Crawford, Inc., Atlanta, Ga.; Southeastern Securities Corp., Charlotte, N. C.; Clark, Landstreet & Kirkpatrick, Inc., Nashville, Tenn. and C. F. Cassell, Inc., Charlottesville, Va.

Julie Research Laboratories, Inc.

March 29, 1961 filed 100,000 outstanding shares of common stock to be offered for public sale by the present stockholder. Price—\$10 per share. **Business**—Basic research and development leading to the design, manufacture and sale of precise electronic components and instruments. **Proceeds**—For the selling stockholder. **Office**—603 West 130th Street, New York City. **Underwriter**—C. E. Unterberg, Towbin Co., New York City (managing).

Jungle Juice Corp.

Oct. 28, 1960 (letter of notification) 120,000 shares of common stock (par 25 cents). Price—\$2.50 per share. **Proceeds**—For working capital and expansion. **Address**—Seattle, Wash. **Underwriter**—Fidelity Investors Service, East Meadow, N. Y.

Kaiser Aluminum & Chemical Corp.

March 30, 1961 filed 61,169 outstanding shares of 4% cumulative convertible (1961 series) preference stock (\$100 par) and 305,834 outstanding shares of common stock, to be offered for public sale by the holders thereof. Price—To be supplied by amendment. **Business**—The company is a producer of primary aluminum and aluminum products. **Proceeds**—For the selling stockholders. **Office**—300 Lakeside Drive, Oakland, Calif. **Underwriter**—None.

• Kaweck Chemical Co.

March 23, 1961 filed \$3,500,000 of 4% convertible subordinated debentures, due 1976, and 17,282 shares of common stock (par 25 cents), issuable upon the exercise of warrants. The debentures are being offered for subscription by stockholders on the basis of \$100 principal amount of debentures for each 15 shares held of record May 10 with rights expiring May 24. Price—At par. **Business**—The research and pilot plant production of rare metals. **Proceeds**—To repay debt and for working capital. **Office**—Boyertown, Pa. **Underwriter**—Carl M. Loeb, Rhoades & Co., New York City (managing).

• King Kullen Grocery Co., Inc. (5/23)

March 28, 1961 filed 180,000 shares of class A stock, of which 50,000 shares are to be offered for public sale by the company and 130,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. **Business**—The operation of a chain of self-service food stores in the Long Island, N. Y., area. **Proceeds**—For the construction and equipping of a new warehouse and office. **Office**—178-02 Liberty Ave., Jamaica, N. Y. **Underwriters**—Hemphill, Noyes & Co., and Estabrook & Co., New York City (managing).

Kings Electronics Co., Inc.

Jan. 27, 1961 filed 295,187 shares of common stock, of which 250,000 are to be offered for public sale by the company and 45,187 shares, being outstanding stock, by the present holders thereof. Price—\$4 per share for the new stock. The outstanding shares will be offered at the prevailing market price on the over-the-counter market or on any securities exchange upon which they may be listed at any time after 60 days from the date of the

company's offering. **Business**—The company is engaged principally in the design, development and manufacture of radio frequency connectors. **Proceeds**—For expansion, the repayment of loans and for working capital. **Office**—40 Marbledale Road, Tuckahoe, N. Y. **Underwriter**—Ross, Lyon & Co., Inc., New York City (managing).

Knickerbocker Biologicals, Inc.

Dec. 23, 1960, filed 100,000 outstanding shares of class A stock. Price—\$6 per share. **Business**—The manufacture, packaging and distribution of a line of diagnostic serums and cells used for the purpose of blood grouping and testing. The company also operates blood donor centers in New York and Philadelphia. **Proceeds**—For the selling stockholders. **Office**—300 West 43rd Street, New York City. **Underwriter**—None.

Kreisler (Charles), Inc.

Feb. 27, 1961 (letter of notification) 60,000 shares of common stock (par \$1). Price—\$5 per share. **Business**—Sale and rental of automobiles. **Proceeds**—Acquisition of cars for rental purposes; acquisition of additional salesroom; advertising and sales promotion and for working capital. **Office**—241 Park Avenue, New York, N. Y. **Underwriter**—Albion Securities Co., Inc., New York, N. Y.

Krystinel Corp.

April 12, 1961 filed 90,000 shares of class A stock. Price—\$2.50 per share. **Business**—The company produces ferrites, which are ceramic-like materials with magnetic properties, and conducts a research and development program for ferrite products. **Proceeds**—For the repayment of a loan, research and development, new equipment and working capital. **Office**—P. O. Box 6, Fox Island Road, Port Chester, N. Y. **Underwriters**—Ross, Lyon & Co., Inc., and Schrijver & Co., both of New York City.

LP Gas Savings Stamp Co., Inc.

Sept. 27, 1960 (letter of notification) 30,000 shares of common stock Price—At par (\$10 per share). **Proceeds**—For purchase of creative design and printing of catalogs, stamp booklets, advertising and for working capital. **Office**—300 W. 61st St., Shreveport, La. **Underwriter**—International Sales & Investment, Inc., 4501 North Blvd., Baton Rouge, La.

Lafayette Realty Co.

April 28, 1961 filed 129.3 limited partnership interests. Price—\$5,000 per interest. **Business**—The partnership owns a contract to purchase the fee title to the Lafayette Building in Detroit, Mich. **Proceeds**—To purchase the above property. **Office**—18 E. 41st Street, New York City. **Underwriter**—Tenney Securities Corp., 18 E. 41st Street, New York City.

Lannett Co., Inc.

April 7, 1961 (letter of notification) 150,000 shares of common stock. Price—\$2 per share. **Business**—The manufacture and sale of pharmaceuticals. **Proceeds**—For a new building, research and development, and a sales training program. **Office**—Frankford Ave., and Allen St., Philadelphia, Pa. **Underwriter**—Netherlands Securities Co., Inc., New York City.

"Lapidoth" Israel Oil Prospectors Corp. Ltd.

Oct. 27, 1960 filed 1,500,000 ordinary shares. Price—To be supplied by amendment, and to be payable either totally or partially in Israel bonds. **Business**—The company was organized in October 1959 as a consolidation of individual and corporate licensees who had been operating in the oil business as a joint venture. **Proceeds**—For exploration and development of oil lands. **Office**—22 Rothschild Blvd., Tel-Aviv, Israel. **Underwriter**—None.

Leader-Durst Center Co.

March 29, 1961 filed \$569,500 of limited partnership interests. Price—\$5,000 per unit. **Business**—A limited partnership organized under New York law in March, 1961, to acquire title to the Midland Shopping Center in Columbia, S. C., the Greenwich Shopping Center in Lake Charles, La., and a shopping center in Taylor Township, Mich. **Proceeds**—To be used to purchase the above properties. **Office**—41 East 42nd Street, New York City. **Underwriter**—None.

Lincoln Fund, Inc.

March 30, 1961 filed 951,799 shares of common stock. Price—Net asset value plus a 7% selling commission. **Business**—A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., New Britain.

Lindy Hydrothermal Products, Inc.

March 30, 1961 filed 65,000 shares of common stock (par 10 cents). Price—\$4 per share. **Business**—The design, manufacture, distribution and sale of heat exchange products and custom tanks for the storage of water, chemicals and other liquids. **Proceeds**—For new equipment, plant relocation, product development and repayment of debt. **Office**—2370 Hoffman Street, New York City. **Underwriter**—Bond, Richman & Co., New York City. **Offering**—Expected in late May.

Lytton Financial Corp. (5/22-26)

March 30, 1961 filed 300,000 shares of capital stock. Price—To be supplied by amendment. **Business**—The company owns the stocks of several California savings and loan associations. It also operates an insurance agency, and through a subsidiary, Title Acceptance Corp., acts as trustee under trust deeds securing loans made by the associations. **Proceeds**—To repay loans and for working capital. **Office**—8150 Sunset Boulevard, Hollywood, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., New York City (managing).

• M & F Graphic Arts & Industrial Photographic Supply Co.

May 1, 1961 filed 80,000 shares of class A common stock, of which 60,000 shares are to be offered for the account of the issuing company and 20,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. Price—To be supplied by amendment. **Business**—The distribution of photographic supplies to amateur and professional photographers. **Proceeds**—For working capital and general corporate purposes. **Office**—220 Luckie St., N. W., Atlanta, Ga. **Underwriter**—Robinson-Humphrey Co., Inc., Atlanta, Ga. (managing).

(E. F.) Mac Donald Co. (5/29)

April 11, 1961 filed 275,000 shares of common stock (par \$1). Price—To be supplied by amendment. **Business**—The creation and administration of incentive campaigns designed to achieve the sales objectives of its customers. **Proceeds**—For the selling stockholders. **Office**—120 So. Ludlow St., Dayton, Ohio. **Underwriters**—Smith, Barney & Co., Inc., New York City and Merrill, Turben & Co., Inc., Cleveland, Ohio (managing).

• MacGregor Bowling Centers, Inc.

May 3, 1961 filed 120,000 shares of common stock, of which 100,000 will be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. **Proceeds**—To repay loans and for working capital. **Office**—5309 South Park Blvd., Houston, Tex. **Underwriters**—Rowles, Winston & Co., and Fridley & Frederking, Houston.

• Macron Electronics Corp.

Feb. 27, 1961 (letter of notification) 30,000 shares of common stock (par \$1). Price—\$10 per share. **Business**—Manufacture of electrical and electronic equipment. **Proceeds**—For purchase of equipment and tooling, research and development and working capital. **Office**—199 Devon Terrace, Kearny, N. J. **Underwriter**—Meade & Co., New York, N. Y. **Offering**—Imminent.

Mages Sporting Goods Co.

May 1, 1961 filed 1,029,961 shares of common stock to be offered for subscription by stockholders on the basis of one new share for each two common shares held. Price—To be supplied by amendment. **Business**—The mail order and retail sale of sporting goods and recreational equipment. **Proceeds**—For the repayment of debt and other corporate purposes. **Office**—227 West Madison Street, Chicago, Ill. **Underwriter**—None.

Magnefax Corp. (5/29)

April 10, 1961 filed 200,000 shares of no par common stock. Price—\$5 per share. **Business**—The company plans to distribute desk-top copy machines and supplies. **Proceeds**—For new equipment, leasing office space, salaries, advertising, and other corporate purposes. **Office**—1228 Commercial Trust Bldg., Philadelphia, Pa. **Underwriter**—Stroud & Co., Inc., Philadelphia (managing).

Mallory Randall Corp.

March 30, 1961 filed 120,000 shares of common stock (par 10 cents). Price—To be supplied by amendment. **Business**—The design, manufacture and sale of a line of plastic insulated food and drink serving accessories, principally mugs, bowls and tumblers. **Proceeds**—For plant relocation, new equipment, and other corporate purposes. **Office**—84 Clifton Place, Brooklyn, N. Y. **Underwriter**—Pistell, Crow, Inc., New York City. **Offering**—Expected in late May.

• Marine & Electronics Manufacturing Inc.

Sept. 22, 1960 (letter of notification) 75,000 shares of common stock. Price—\$4 per share. **Proceeds**—For expenses in the fabrication of sheet metal parts for missiles, rockets, radar and marine items. **Address**—319 W. Howard St., Hagerstown, Md. **Underwriter**—Lecluse & Co., Washington, D. C. **Offering**—Expected in early June.

Marine Structures Corp.

Feb. 1, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. **Proceeds**—To purchase raw materials, advertising and for working capital. **Office**—204 E. Washington St., Petaluma, Calif. **Underwriter**—Metropolitan Trading Corp., 1835 K St., N. W., Washington, D. C.

Marrud, Inc.

April 12, 1961 filed 194,750 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 94,750 outstanding shares by the present holders thereof. Price—To be supplied by amendment. **Business**—The wholesale distribution of cosmetics, beauty aids, health aids and related products. **Office**—189 Dean St., Norwood, Mass. **Underwriter**—McDonnell & Co., New York City. **Offering**—Expected in early June.

Massachusetts Electric Co. (6/27)

April 24, 1961 filed \$17,500,000 of first mortgage bonds, series F, due 1991. **Proceeds**—For the repayment of debt and for construction. **Office**—939 Southbridge Street, Worcester, Mass. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co., and Coffin & Burr, Inc. **Bids**—To be received on June 27, 1961.

• Matthews Corp.

Feb. 28, 1961 (letter of notification) 200,000 shares of common stock (par \$1). Price—\$1.50 per share. **Proceeds**—To retire bank loans; purchase new equipment and for working capital. **Office**—12923 Cerise Street, Hawthorne, Calif. **Underwriters**—Holton, Henderson & Co., Los Angeles, Calif., and Sellgren, Miller & Co., San Francisco, Calif.

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★ **Mayfair Markets**

April 17, 1961 (letter of notification) 6,000 shares of preferred stock. Price—At par (\$50 per share). Proceeds—To repay debt. Office—4383 Bandini Blvd., Vernon, Calif. Underwriter—None.

★ **Mecanair Corp.**

April 17, 1961 (letter of notification) 60,000 shares of common stock (no par). Price—\$3 per share. Proceeds—To purchase equipment and for working capital. Office—120 Union Ave., Sudbury, Mass. Underwriter—Old Colony Securities Corp., Stoneham, Mass.

● **Metropolis Bowling Centers, Inc.**

May 1, 1961 filed 198,000 shares of common stock, of which 120,000 shares are to be offered for public sale by the company and 78,000 outstanding shares by the present holders thereof. Price—About \$5 per share. Business—The acquisition and operation of bowling centers, principally in New York City. Proceeds—To improve existing properties and acquire other bowling centers. Office—647 Fulton Street, Brooklyn, N. Y. Underwriters—Russell & Saxe, Inc., (managing); Thomas, Lee & Quinn, Inc., and V. S. Wickett & Co., New York City. Offering—Expected in mid-June.

● **Metropolitan Securities, Inc. (5/15-19)**

Nov. 17, 1960 (letter of notification) 100,000 shares of class A common stock (par \$1). Price—\$3 per share. Proceeds—For working capital. Office—919-18th St., N. W., Washington, D. C. Underwriter—Metropolitan Brokers, Inc., Washington, D. C.

★ **Miami Industries, Inc.**

March 24, 1961 filed 175,000 outstanding shares of class A common stock (par \$1), to be offered for public sale by the holders thereof. Price—\$9.50 per share. Business—The production and sale of electric resistance welded steel tubing. Proceeds—For the selling stockholders. Office—Springcreek Township, Miami County, Ohio. Underwriter—H. Hentz & Co., New York City (managing). Offering—Expected in late May.

★ **Michigan Consolidated Gas Co. (5/23)**

April 14, 1961 filed \$30,000,000 of first mortgage bonds, due 1986. Proceeds—For the repayment of debt and for construction. Office—415 Clifford Street, Detroit, Mich. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Lehman Brothers. Bids—To be received in Detroit on May 23 at 11:30 a.m. (DST).

★ **Michigan Wisconsin Pipe Line Co. (6/14)**

April 21, 1961 filed \$30,000,000 of first mortgage pipe line bonds, due 1981. Proceeds—For construction. Office—500 Griswold St., Detroit, Mich. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co., Inc. Bids—To be received on June 14 at 11 a.m. (DST) in Suite 4950, 30 Rockefeller Plaza, New York City.

★ **Micro Electronics Corp.**

March 31, 1961 filed 100,000 shares of common stock. Price—\$4 per share. Business—The manufacture of printed circuits for the electronics industry. Proceeds—\$124,000 for new plant, \$76,000 for equipment, and \$110,000 for working capital. Office—1191 Stout St., Denver, Colo. Underwriter—R. Baruch & Co., Washington, D. C. (managing).

★ **Microtron Industries, Inc.**

March 1, 1961 (letter of notification) 300,000 shares of common stock (par 10 cents). Price—\$1 per share. Proceeds—For purchase of equipment; inventory of parts; working capital; and research and development. Office—120 S. Fairfax, Denver, Colo. Underwriter—Amos C. Sudler & Co., Denver, Colo.

● **Microwave Associates, Inc. (5/18)**

March 27, 1961 filed 240,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. Price—To be related to the current market price of the stock on the American Stock Exchange at the time of the offering. Business—The design and production of specialized components used in microwave radio energy. Proceeds—For the selling stockholders. Office—South Street, Burlington, Mass. Underwriters—Lehman Brothers; Kuhn, Loeb & Co., Inc., and Clark, Dodge & Co., Inc., all of New York City.

★ **Midwestern Acceptance Corp.**

Sept. 8, 1960, filed 1,169,470 shares of common stock and \$994,050 of 6% debentures, to be offered for public sale in units of one share of stock and 85 cents of debentures. Price—\$1 per unit. Business—The company will do interim financing in the home building industry. Proceeds—To start its lending activities. Address—P. O. Box 886, Rapid City, S. D. Underwriter—None.

★ **Minneapolis Scientific Corp.**

March 24, 1961 filed 1,500,000 shares of common stock. Price—\$1.15 per share. Business—The company is licensed under the Small Business Investment Act of 1958 and is registered with the SEC as a non-diversified, closed-end, management investment company, which will invest in the fields of electronics, physics and chemistry. Proceeds—For investment and operating expenses. Office—First National Bank Building, Minneapolis, Minn. Underwriter—Bratter & Co., Inc., Minneapolis, Minn. Note—This company was formerly named National Scientific Corp.

★ **Miratel Electronics, Inc.**

May 1, 1961 (letter of notification) 100,000 shares of common stock (par 30 cents). Price—\$3 per share. Proceeds—To repay notes, for research and development, equipment and working capital. Office—1st St., Southeast & Richardson St., New Brighton, Minn. Underwriter—None.

★ **Missile Sites, Inc.**

March 30, 1961 filed 291,000 shares of common stock. Price—\$5 per share. Business—A prime contractor with governmental agencies for the building of missile and radar sites and other specialized facilities. Proceeds—For working capital. Office—11308 Grandview Ave., Wheaton, Md. Underwriter—Balogh & Co., Inc., Washington, D. C.

★ **Mississippi River Transmission Corp.**

April 26, 1961 filed \$5,600,000 of sinking fund debentures due 1981. Price—To be supplied by amendment. Proceeds—For the repayment of loans and for construction. Office—9900 Clayton Road, St. Louis, Mo. Underwriters—Eastman Dillon, Union Securities & Co., New York City and Dempsey-Tegeler & Co., St. Louis.

★ **Missouri Edison Co. (6/12)**

May 1, 1961 filed \$2,000,000 of first mortgage bonds, series C. The company is a subsidiary of Union Electric Co. Proceeds—For the repayment of loans and for expansion. Office—123½ North Fourth Street, Louisiana, Mo. Underwriter—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly). Bids—To be received on June 12.

★ **Mobile Credit Corp.**

Sept. 14, 1960 filed 25,874 shares of common stock and 1,000 shares of \$100 par 6% cumulative convertible preferred stock. The stock will be offered for subscription by shareholders of record on the basis of two shares of new common for each three such shares held and one share of new preferred for each 38.81 common shares held, the record date in each case being Sept. 1, 1960. Prices—For common, \$10 per share; for preferred, \$100 per share. Business—The purchase of conditional sales contracts from dealers in property so sold, such as mobile homes, trailers, boats, and motorcycles. Proceeds—For working capital. Office—100 E. Michigan Ave., Jackson, Mich. Underwriter—None.

★ **Model Vending, Inc.**

April 27, 1961 filed 150,000 shares of common stock. Price—To be supplied by amendment. Business—The operation of vending machines for the retail sale of cigarettes, candy and a variety of other food and drink products. The company also operates coin-type phonograph machines and amusement devices. Proceeds—For new equipment, modernization of accounting procedures, and general corporate purposes. Office—4830 N. Front Street, Philadelphia, Pa. Underwriter—Milton D. Blauner & Co., Inc., New York City (managing). Offering—Expected about mid-June.

★ **Moderncraft Towel Dispenser Co., Inc.**

March 30, 1961 filed 80,000 shares of common stock, of which 73,750 shares are to be offered for public sale by the company and 6,250 outstanding shares by the underwriter. Price—\$4 per share. Business—The manufacture and sale of an improved towel dispensing cabinet. Proceeds—For advertising, research and development, payment of debt, and working capital. Office—20 Main Street, Belleville, N. J. Underwriter—Vickers, Christy & Co., Inc., New York City.

★ **Modern Homes Construction Co.**

May 10, 1961 filed \$5,500,000 of subordinated debentures due June 15, 1981 and 550,000 shares of common stock to be offered for public sale in 275,000 units, each unit consisting of \$20 principal amount of debentures and two common shares. Price—To be supplied by amendment. Business—The construction, financing and sale of shell homes principally in the southern and southwestern portions of the U. S. Proceeds—To finance the sale of additional shell homes. Office—Valdosta, Ga. Underwriter—Harriman Ripley & Co., New York City (managing).

● **Mohawk Insurance Co. (5/18)**

Aug. 8, 1960, filed 75,000 shares of class A common stock. Price—\$12 per share. Proceeds—For general funds. Office—198 Broadway, New York City. Underwriter—R. F. Dowd & Co., Inc., 39 Broadway, New York 6, N. Y.

★ **Mokan Small Business Investment Corp., Inc.**

Jan. 17, 1961 filed 3,000 shares of common stock. Price—\$100 per share. Business—The company was organized under Kansas law in October 1960 and is applying to the Small Business Administration for a Federal license to operate as a small business investment company. Proceeds—For general corporate purposes. Office—719 Walnut St., Coffeyville, Kan. Underwriter—None.

★ **Monticello Lumber & Mfg. Co., Inc.**

April 11, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price—\$4 per share. Business—The sale of lumber, building supplies and hardware. Proceeds—To repay loans and for working capital. Address—Monticello, N. Y. Underwriter—J. Lawrence & Co., Inc., New York, N. Y.

★ **Montreal (City of)**

May 4, 1961 filed \$15,000,000 (U. S.) of sinking fund debentures for local improvements due May 15, 1981, and \$10,000,000 (U. S.) of sinking fund debentures for public works due May 1, 1986. Price—To be supplied by amendment. Proceeds—For the repayment of interim borrowings and for public works programs. Address—Province of Quebec, Canada. Underwriters—Lehman Brothers, New York City; L. G. Beaubien & Co. Ltd., and Credit Interprovincial, Ltd., both of Montreal.

★ **Morris Shell Homes, Inc.**

May 1, 1961 filed \$3,000,000 of 8% subordinated debentures due July 1, 1986; 150,000 shares of common stock; 150,000 first warrants and 150,000 second warrants, to be offered for public sale in units, each consisting of one \$20 debenture, one common share, one first warrant and one second warrant. Price—To be supplied by amendment. Business—The construction and sale of shell homes. Office—505 Morgan Street, Knoxville, Tenn. Underwriter—Johnson, Lane, Space Corp., Savannah (managing).

★ **Mortgage Guaranty Insurance Co.**

Oct. 17, 1960 filed 155,000 shares of common stock (par \$1). Price—To be supplied by amendment. Business—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. Proceeds—For capital and surplus. Office—606 West Wisconsin Avenue, Milwaukee, Wis. Underwriter—Bache & Co., New York City (managing). Note—This stock is not qualified for sale in New York State. Offering—Expected in June.

● **Morton Manufacturing Corp. (5/29)**

March 28, 1961 filed 100,000 outstanding shares of common stock (par \$1), to be offered for public sale by the holders thereof. Price—To be supplied by amendment. Business—The manufacture and sale of medicated proprietary items, cosmetics, toiletries and fragrances. Proceeds—For the selling stockholders. Office—2101 Hudson Street, Lynchburg, Va. Underwriter—Smith, Barney & Co., New York City (managing).

★ **Motor Travel Services, Inc.**

May 2, 1961 (letter of notification) 260,000 shares of common stock (par 25 cents). Price—\$1.15 per share. Proceeds—For an advertising program and working capital. Office—1521 Hennepin Avenue, Minneapolis, Minn. Underwriter—Bratter & Co., Inc., Minneapolis, Minn.

★ **Municipal Investment Trust Fund, Series B**

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. Price—To be supplied by amendment. Business—The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. Proceeds—For investment. Sponsor—Ira Haupt & Co., 111 Broadway, New York City. Offering—Expected in mid-June.

★ **Municipal Investment Trust Fund, First Pa. Series**

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. Price—To be supplied by amendment. Business—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political subdivisions. Proceeds—For investment. Sponsor—Ira Haupt & Co., 111 Broadway, New York City. Offering—Expected in mid-June.

★ **Nash (J. M.) Co., Inc.**

March 30, 1961 filed \$1,000,000 of series A subordinated debentures, due July 1, 1981 and \$1,000,000 of series B convertible subordinated debentures, due July 1, 1981. Price—To be supplied by amendment. Business—The manufacture of a variety of industrial products including woodworking and packaging equipment, power saws, auxiliary power plants, centrifugal pumps, inboard marine engines and a line of leisure time and sporting goods merchandise. Proceeds—To retire on or about Oct. 1, 1961 all outstanding 7½% convertible debentures; to repay bank loans, and for other corporate purposes. Office—208 Wisconsin Avenue, Milwaukee, Wis. Underwriter—Robert W. Baird & Co., Milwaukee (managing).

★ **Nat Nast, Inc.**

April 18, 1961 filed 150,000 shares of class A common stock. Price—\$4 per share. Business—The manufacture and distribution of bowling apparel. Proceeds—For working capital, construction, and funds estimated at \$125,000 to stock such items as bowling clothes and accessories, gym clothing, etc. Office—816 Central, Kansas City, Mo. Underwriter—Hardy & Co., New York City (managing).

★ **National Airlines, Inc.**

Sept. 21, 1960 filed \$10,288,000 of convertible subordinated debentures, due 1975, to be offered for subscription by holders of the outstanding common stock on the basis of \$100 of debentures for each 18 common shares held of record April 28, with rights to expire on May 15. Price—At 100%. Business—Domestic and international transport of persons, property, and mail. Proceeds—To make payments on planes and reduce short-term indebtedness, with the balance for general corporate purposes. Office—Miami International Airport, Miami Fla. Underwriter—Lehman Brothers, New York City (managing).

● **National Bagasse Products Corp. (5/17)**

March 14, 1961 filed 16,200 units, each unit consisting of \$100 of 15-year 7% subordinated debentures, 30 shares of class A common and 10 warrants (to buy a like number of class A shares). Price—\$163.85 per unit. Business—Manufactures composition board, hard board and insulating board from bagasse, a waste product of sugar refining. Proceeds—To build a new plant at Vacherie, La. Office—821 Gravier St., New Orleans, La. Underwriters—S. D. Fuller & Co., New York City, and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

● **National Food Marketers, Inc. (5/15-19)**

Jan. 27, 1961 filed 100,000 shares of common stock. Price—\$4 per share. Business—The company is engaged in the processing and packaging of quick-frozen, prepared seafood meat and poultry for use by restaurants and institutions and frozen ready-to-heat meals for distribution through vending machines. Proceeds—To repay loans; purchase additional machinery; establish a food laboratory, and for advertising, promotion, and working capital. Office—Blue Anchor, N. J. Underwriter—Robert Edelstein Co., Inc., New York City.

★ **National Mercantile Corp.**

March 29, 1961 filed 100,000 shares of common stock and five-year warrants to purchase an additional 20,000 common shares, to be offered for public sale in units consisting of one common share and one-fifth of a warrant. Price—To be supplied by amendment. Business—The distribution and retail sale of phonograph records. Proceeds—For the repayment of loans and for working capital. To expand retail operations. Office—1905 Kerrigan Avenue, Union City, N. J. Underwriter—A. T. Brod

& Co., New York City (managing). **Offering**—Expected in late May.

• **National Radiac, Inc.**

April 24, 1961 (letter of notification) 75,000 shares of common stock (no par). **Price**—\$4 per share. **Business**—The manufacture of organic and inorganic scintillators for the detection and measurement of ionizing radiation. The company also produces the high quality crystals which serve as integral components of the detection instruments. **Proceeds**—For working capital and general corporate purposes. **Address**—Newark, N. J. **Underwriter**—Hardy & Hardy, New York, N. Y.

• **New England Telephone & Telegraph Co.**

March 30, 1961 this subsidiary of A. T. & T. filed 3,149,615 shares of capital stock being offered for subscription by stockholders on the basis of one new share for each seven shares held of record April 25 with rights to expire on May 19. **Price**—\$42 per share. **Proceeds**—To retire \$40,000,000 of first mortgage 4½% bonds, series B, which mature May 1, 1961 and to repay advances from the parent company. **Office**—185 Franklin Street, Boston, Mass. **Underwriter**—None.

• **New Era Mining Co.**

April 6, 1961 filed 1,000,000 shares of common stock (par 25 cents). **Price**—50 cents per share. **Business**—The company plans to operate two gold placer claims in the Black Hills of South Dakota. **Proceeds**—To repay debt, purchase equipment and for working capital. **Office**—9635 West Colfax Avenue, Denver, Colo. **Underwriter**—None.

• **New Orleans Public Service, Inc.**

April 13, 1961 filed \$15,000,000 of first mortgage bonds, due 1991. **Proceeds**—For construction and the repayment of debt. **Office**—317 Baronne Street, New Orleans, La. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lee Higginson Corp.; Equitable Securities Corp., and Eastman Dillon, Union Securities & Co. (jointly); Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly); White, Weld & Co.; Salomon Brothers & Hutzler. **Bids**—To be received on May 25 at 11:30 a.m. (DST).

• **New York State Electric & Gas Corp. (5/16)**

March 24, 1961 filed \$25,000,000 of first mortgage bonds due 1991. **Proceeds**—To repay bank loans and for construction. **Office**—108 East Green Street, Ithaca, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co. and Salomon Bros. & Hutzler (jointly); Blyth & Co., Inc.; Harriman Ripley & Co.; First Boston Corp., and Glore, Forgan & Co. (jointly). **Bids**—To be received on May 16 at 11 a.m. (EST) in room 2017, 61 Broadway, New York City.

• **North American Vending Manufacturing Corp.**

April 19, 1961 (letter of notification) 55,000 shares of common stock (par 10 cents). **Price**—\$2 per share. **Business**—The production of ice cube manufacturing and vending machines. **Proceeds**—For equipment; development of distributors, advertising and research and development. **Office**—110 Jericho Turnpike, Floral Park, N. Y. **Underwriter**—Ezra Kurean Co., New York, N. Y.

• **North Electric Co. (5/15)**

March 30, 1961 filed 22,415 shares of common stock to be offered for subscription by stockholders of record May 15. **Price**—To be supplied by amendment. **Business**—This subsidiary of L. M. Ericsson Telephone Co. of Stockholm, Sweden, manufactures telecommunications equipment, remote control systems, electromechanical and electronic components, and power supply assemblies. **Proceeds**—To repay loans and for working capital. **Office**—553 South Market Street, Galion, Ohio. **Underwriter**—None.

• **Northern Instrument Corp. (5/12)**

March 10, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price**—\$4 per share. **Business**—Manufacturers of electronic devices. **Proceeds**—For general corporate purposes. **Office**—3 Carll Ave., S. Babylon, N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, N. Y.

• **Northwestern Public Service Co.**

April 3, 1961 filed 54,571 shares of common stock to be offered for subscription by holders of common stock on the basis of one share for each 12 shares held of record May 3 with rights to expire May 22. **Price**—\$25.25 per share. **Office**—Huron, S. D. **Underwriter**—A. C. Allyn & Co., Chicago.

• **Ohio Edison Co. (5/22)**

April 14, 1961 filed \$30,000,000 of first mortgage bonds, due 1991. **Proceeds**—For construction and the repayment of debt. **Office**—47 North Main Street, Akron, Ohio. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Glore, Forgan & Co.; Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly); First Boston Corp.; Morgan Stanley & Co. **Bids**—To be received at 16 Wall St., New York City on May 22 at 11:30 a.m. (DST). **Information Meeting**—Scheduled for May 17 at 3:30 p.m. (DST) at the New York Society of Security Analysts, 15 William St., New York City.

• **Ohio-Franklin Fund, Inc.**

Feb. 3, 1961 filed 2,000,000 shares of common stock to be offered to investors through a tax-free exchange of shares for securities of a selected list of companies. **Exchange Price**—Net asset value (expected to be \$10 per share). **Business**—A new fund which provides a medium through which holders of blocks of securities may obtain diversification and continuous professional investment management without incurring Federal capital gains tax liability upon the exchange. **Proceeds**—For investment. **Office**—51 North High Street, Columbus, Ohio. **Distributor**—The Ohio Co., Columbus, Ohio.

• **Old Empire, Inc.**

May 1, 1961 filed \$700,000 of convertible subordinated debentures due 1971. **Price**—At par. **Business**—The manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, chemical and industrial specialties. **Proceeds**—For the repayment of bank loans, property improvements and working capital. **Office**—865 Mt. Prospect Avenue, Newark, N. J. **Underwriter**—Laird, Bissell & Meeds, Wilmington, Del.

• **Olson Co. of Sarasota, Inc.**

April 26, 1961 (letter of notification) 50,000 shares of common stock (par \$1). **Price**—\$5 per share. **Proceeds**—To repay loans, purchase equipment and raw materials and for working capital. **Address**—P. O. Box 2430, Sarasota, Fla. **Underwriter**—None.

• **One Maiden Lane Fund, Inc.**

April 7, 1961 filed 300,000 shares of common stock. **Price**—\$3 per share. **Business**—This is a new mutual fund which will hold only convertible debentures and U. S. Treasury bonds. **Proceeds**—For investment. **Office**—One Maiden Lane, New York City. **Underwriter**—G. F. Nicholls & Co., Inc., New York City.

• **Opelika Manufacturing Corp. (5/15-19)**

March 30, 1961 filed 200,000 outstanding shares of common stock (par \$5), to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of a variety of textile products to the linen rental industry and to hospitals and other institutions. **Proceeds**—For the selling stockholders. **Office**—361 West Chestnut Street, Chicago, Ill. **Underwriter**—Glore, Forgan & Co., New York City (managing).

• **Panacolor, Inc. (5/22)**

Feb. 24, 1961 filed 200,000 shares of common stock (par 20 cents). **Price**—\$4 per share. **Business**—The company plans to engage in the business of developing and printing color film primarily for the motion picture and television industries. **Proceeds**—For the construction of two machines to print color film by the Panacolor Process; for sales promotion, market development and officers' salaries; for mortgage and interest payments; and for working capital. **Office**—6660 Santa Monica Blvd., Hollywood, Calif. **Underwriter**—Federman, Stonehill & Co., New York City (managing).

• **Pantex Manufacturing Corp.**

Dec. 27, 1960 filed 513,299 shares of capital stock, of which 307,222 shares are to be offered for the account of the issuing company and 206,077 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. The stock being offered for the company is a rights offering; one new share will be offered for each three capital shares held. **Price**—To be supplied by amendment. **Proceeds**—For the purchase of 200,000 shares of Tel-A-Sign, Inc. for \$450,000, said shares to be distributed as a dividend to shareholders, with the balance for general corporate purposes, including working capital. **Office**—Central Falls, R. I. **Underwriter**—None.

• **Paxton (Frank) Lumber Co.**

March 28, 1961 filed 83,389 outstanding shares of class A common (par \$2.50) to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The operation of a chain of lumber yards in the middle west. **Proceeds**—For the selling stockholders. **Office**—6311 St. John Avenue, Kansas City, Mo. **Underwriter**—Stern Brothers & Co., Kansas City (managing).

• **Pearce-Simpson, Inc.**

Dec. 30, 1960 filed \$1,800,000 of outstanding 6% convertible debentures due April 1, 1970; 200,000 shares of common stock reserved for issuance upon conversion of the debentures; 145,938 outstanding shares of common stock; 72,500 outstanding warrants for the purchase of common shares and a like number of underlying shares. **Business**—The manufacture of radio telephones. **Proceeds**—To the selling stock and debenture holders. **Office**—2295 N. W. 14th Street, Miami, Fla. **Underwriter**—None.

• **Pennsylvania Electric Co. (5/17)**

March 28, 1961 filed \$10,000,000 of first mortgage bonds, due 1991. **Office**—222 Levergood Street, Johnstown, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., and Harriman Ripley & Co. (jointly); First Boston Corp.; Equitable Securities Corp.; Kidder, Peabody & Co.; Kuhn, Loeb & Co. **Bids**—To be received on the 37th Floor of 80 Pine Street, New York City on May 17 at 11 a.m. (DST). **Information Meeting**—To be held at the above address on May 12 at 10 a.m. (DST).

• **Pennsylvania Electric Co. (6/5)**

March 28, 1961 filed \$12,000,000 of debentures, due 1986. **Office**—222 Levergood Street, Johnstown, Pa. **Underwriters**—To be determined by competitive bidding. The company has never before issued debentures. However, the following underwriters bid on the last issue of bonds: Blyth & Co., Inc., and Harriman Ripley & Co. (jointly); First Boston Corp.; Equitable Securities Corp.; Kidder, Peabody & Co.; Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co. **Bids**—To be received at 80 Pine Street, 37th floor, on June 5 at noon (DST). **Information Meeting**—To be held at the above address on June 2 at 10 a.m. (DST).

• **Pennsylvania & Southern Gas Co.**

March 30, 1961 filed \$600,000 of 5½% convertible debentures due June 1, 1981 to be offered for subscription by common stockholders on the basis of one \$100 debenture for each 10 shares held. **Price**—At 100% of principal amount. **Proceeds**—To redeem all outstanding 6½% preferred stock, series A, B and C, and for construction. **Office**—137 West Lockhart St., Sayre, Pa. **Underwriter**—None.

• **Perini Corp.**

March 30, 1961 filed 1,451,998 shares of common stock (par \$1), of which 1,350,000 are to be offered for public sale by the company, and 101,998 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company is engaged in the construction and general contracting business in the U. S. and Canada and recently entered the real estate development field. In addition it will control and operate the National League Baseball Club of Milwaukee, Inc. **Proceeds**—To repay loans and for general corporate purposes. **Office**—73 Mt. Wayte Ave., Framingham, Mass. **Underwriters**—F. S. Moseley & Co., Boston, Mass., and Paine, Webber, Jackson & Curtis, New York City.

• **Permain Corp.**

April 28, 1961 filed 285,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The marketing of crude oil. **Proceeds**—For general corporate purposes. **Office**—611 West Texas Street, Midland, Texas. **Underwriters**—Lehman Brothers and Shearson, Hammill & Co., both of New York City (managing). **Offering**—Expected in late July.

• **Photronics Corp. (6/15)**

Feb. 24, 1961 filed 150,000 shares of common stock (par 10 cents), to be offered for subscription by stockholders on the basis of three new shares for each four shares held. **Price**—To be supplied by amendment. **Business**—The design, development and manufacture of optical and electro-optical systems and components used in aerial reconnaissance, photo-interpretation, photo-grammetry and optical scanning devices. **Proceeds**—For working capital, research and development, and new equipment. **Office**—134-08 36th Road, Flushing, N. Y. **Underwriter**—L. D. Sherman & Co., New York City.

• **Pickwick Recreation Center, Inc.**

April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—\$3 per share. **Proceeds**—To pay for construction, working capital and, general corporate purposes. **Office**—921-1001 Riverside Drive, Burbank, Calif. **Underwriter**—Fairman & Co., Los Angeles, Calif.

• **Pilgrim Helicopter Services, Inc.**

April 25, 1961 (letter of notification) 16,000 shares of common stock (par \$1). **Price**—\$5.50 per share. **Proceeds**—For general corporate purposes. **Office**—Investment Bldg., Washington, D. C. **Underwriter**—Sade & Co., Washington, D. C.

• **Pillsbury Co. (5/25)**

April 27, 1961 filed \$10,000,000 of sinking fund debentures due June 1, 1986. **Business**—The manufacture and sale of prepared food mixes, refrigerated dough products and flour. **Proceeds**—For the repayment of debt, and working capital. **Office**—600 Pillsbury Building, Minneapolis, Minn. **Underwriters**—Goldman, Sachs & Co., New York City and Piper, Jaffray & Hopwood, Minneapolis (managing).

• **Plasticon Corp.**

May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's \$1,200,000 of 5% promissory notes. **Price**—\$3 per share, in all cases. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office**—Minneapolis, Minn. **Underwriter**—None.

• **Playboy of Boston, Inc.**

May 2, 1961 (letter of notification) 18,550 shares of common stock (no par). **Price**—\$10 per share. **Proceeds**—To purchase furnishings; and for a license, deposit on lease and working capital. **Address**—Boston, Mass. **Underwriter**—None.

• **Potter Instrument Co., Inc.**

March 24, 1961 filed 210,000 shares of common stock, of which 190,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holder thereof. **Price**—\$10 per share. **Business**—The manufacture and sale of electronic data processing equipment. **Proceeds**—For the repayment of loans and to finance accounts receivable and inventories. **Office**—Plainview, L. I., N. Y. **Underwriter**—Bear Stearns & Co., New York City (managing). **Offering**—Expected in early June.

• **Power Designs Inc.**

March 31, 1961 filed 500,000 shares of common stock (par 10 cents). **Price**—\$2 per share. **Business**—The design, manufacture and sale of power supply equipment for the conversion of commercial AC power. **Proceeds**—To repay loans, for expansion and working capital. **Office**—1700 Shames Drive, Westbury, N. Y. **Underwriter**—Pistell, Crow, Inc., New York City. **Offering**—Expected in late May.

• **Precisionware, Inc. (5/25)**

March 30, 1961 filed 125,000 shares of common stock (par \$1), of which 50,000 shares are to be offered for public sale by the company and 75,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—A contract manufacturer of kitchen cabinets and other types of wood cabinets which the company sells to builders, contractors and distributors. **Proceeds**—For new equipment, plant expansion and working capital. **Office**—78 Livingston St., Brooklyn, N. Y. **Underwriter**—Hayden, Stone & Co., New York City (managing).

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Products Research Co. (5/29-6/2)

March 27, 1961 filed 283,200 shares of common stock (par \$2), of which 120,000 shares are to be offered for public sale by the company and 163,200 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The development, manufacture and sale of synthetic rubber caulking compounds, protective coatings, encapsulation materials and glass skylights. **Proceeds**—For the selling stockholders. **Office**—2919 Empire Ave., Burbank, Calif. **Underwriter**—Schwabacher & Co., San Francisco, Calif. (managing).

Publishers Company, Inc. (5/29-6/2)

Jan. 27, 1961 filed 220,000 shares of common stock. **Price**—\$10 per share. **Business**—The company and its subsidiaries are engaged in the business of selling and financing book sales. **Proceeds**—To acquire the assets of Books, Inc., 1140 Broadway, New York City; to invest in a new District of Columbia company, Books, Inc.; to invest additional funds in a subsidiary; to finance installment sales contracts receivable and for working capital. **Office**—1116 18th St., N. W., Washington, D. C. **Underwriters**—Amos Treat & Co., Inc., New York City and Roth & Co., Inc., Philadelphia, Pa. (managing); Stanley Heller & Co., and Karen Securities Corp., New York City and Bruno-Lenchner, Inc., Pittsburgh, Pa.

Puerto Rican Airlines, Inc.

Feb. 6, 1961 (letter of notification) 100,000 shares of class A common stock (par 10 cents). **Price**—\$3 per share. **Proceeds**—For accounts payable, to purchase equipment and for general corporate purposes. **Office**—c/o F. J. Perez-Almiron, 1764 Ponce de Leon Ave., San Juan, Puerto Rico. **Underwriter**—Investment Securities Co. of Maryland, Inc., Baltimore, Md.

RMS Electronics, Inc.

April 12, 1961 (letter of notification) 100,000 shares of common stock (par 25 cents). **Price**—\$3 per share. **Business**—The manufacture of television and FM radio antennae. **Proceeds**—For general corporate purposes. **Address**—2016 Bronxdale Ave., Bronx, N. Y. **Underwriter**—Martinelli & Co., New York, N. Y.

Ram Electronics, Inc. (5/23)

Dec. 28, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—\$4 per share. **Business**—Manufacturers of electronic and replacement parts for television receivers and other electrical circuits. **Proceeds**—For general corporate purposes. **Office**—600 Industrial Ave., Paramus, N. J. **Underwriter**—General Securities Co., Inc., 101 West 57th St., New York City.

Real Estate Investment Trust of America (5/22-26)

March 31, 1961 filed 500,000 shares of beneficial interest in the Trust. **Price**—To be supplied by amendment. **Business**—The Trust which was organized in 1955 to acquire the assets of three Massachusetts business trusts now holds real estate properties in 12 states and the District of Columbia. **Proceeds**—For investment. **Office**—294 Washington St., Boston, Mass. **Underwriters**—Paine, Webber, Jackson & Curtis; Kidder, Peabody & Co., and Lee Higginson Corp., all of New York City.

Recco, Inc.

April 17, 1961 (letter of notification) 60,000 shares of class A common stock (par one cent). **Price**—\$5 per share. **Proceeds**—To open a new licensed department in 1961. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriter**—Midland Securities Co., Kansas City, Mo.

Recreation Enterprises, Inc. (6/7)

March 16, 1961 filed 110,000 units of common stock and warrants, each unit to consist of one share of class A common and two common stock purchase warrants for the purchase of class A common (one exercisable at \$5.50 per share for 18 months and the other at \$6 per share within 36 months). **Price**—\$5 per unit. **Business**—The company plans to operate a chain of bowling alleys in 14 midwestern states, initially in Missouri and Kansas. **Proceeds**—For the building of bowling centers. **Office**—6000 Independence Ave., Kansas City, Mo. **Underwriter**—I. M. Simon & Co., St. Louis, Mo.

Reiter Simmons Research Inc.

May 8, 1961 filed 150,000 shares of capital stock. **Price**—\$6 per share. **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital. **Office**—Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co., New York City (managing).

Renaire Foods, Inc.

March 30, 1961 filed \$600,000 of debentures, 6½% convertible series due 1976, to be offered for public sale by the company and 125,000 shares of common stock, (par \$1) of which 100,000 shares are to be offered for sale by the company and 25,000 outstanding shares by the present holders thereof. **Price**—At 100% of principal amount, for the debentures and \$6 per share for the stock. **Business**—The retail distribution of food freezers, frozen foods, groceries, vitamins, proprietary medicines and sundries, principally in the Philadelphia and Baltimore trading areas. **Proceeds**—For construction, the purchase of installment contracts resulting from the sales of food and freezers, and for working capital. **Office**—770 Baltimore Pike, Springfield, Pa. **Underwriter**—P. W. Brooks & Co., Inc., New York City. **Offering**—Expected in late May or early June.

Rocket Jet Engineering Corp. (5/22)

March 20, 1961 filed 110,000 outstanding shares of common stock (par 75 cents). **Price**—To be supplied by amendment. **Business**—The design, development and manufacture of escape and survival equipment used in military aircraft. **Proceeds**—For the selling stockholders. **Office**—1426 South Flower Street, Glendale, Calif. **Underwriters**—Thomas Jay, Winston & Co., Inc., Beverly

Hills, Calif., and Maltz, Greenwald & Co., New York City. The latter firm will handle the books in the East.

Rockower Brothers, Inc.

May 1, 1961 filed 140,000 outstanding shares of common stock (par 30 cents) to be offered for public sale by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The retail sale of men's and boys' clothing. **Proceeds**—For the selling stockholders. **Office**—160 West Lehigh Avenue, Philadelphia. **Underwriter**—Drexel & Co., Philadelphia.

Ruth Outdoor Advertising Co., Inc.

March 10, 1961 (letter of notification) 80,000 shares of class A stock (par 10 cents). **Price**—\$3 per share. **Business**—Outdoor advertising. **Proceeds**—For general corporate purposes. **Address**—R. D. No. 2, Albany, N. Y. **Underwriter**—Lewis & Stoehr, New York, N. Y.

Safeguard Corp.

March 21, 1961 (letter of notification) 75,000 shares of common stock (par 50 cents). **Price**—\$4 per share. **Proceeds**—For capital funds, expansion, and working capital. **Office**—1114 N. Broad Street, Lansdale, Pa. **Underwriter**—Netherlands Securities Co., Inc., New York, N. Y.

St. Louis Capital, Inc.

April 11, 1961 filed 750,000 shares of common stock (par \$1). **Price**—\$10 per share. **Business**—A new small business investment company. **Proceeds**—For investment. **Office**—611 Olive St., St. Louis, Mo. **Underwriters**—Hornblower & Weeks, New York City and I. M. Simon & Co., St. Louis (co-managers). **Offering**—Expected in early June.

San Francisco & Oakland Helicopter Airlines, Inc.

April 5, 1961 85,000 shares of class A stock (par \$10) and 85,000 shares of common stock (par 10 cents) to be offered in units, each unit to consist of one share of class A and one common share. **Price**—To be supplied by amendment. **Business**—The company plans to furnish scheduled air transportation service in the San Francisco Bay area. **Proceeds**—For spare parts, lease of aircraft, starting-up expenses, and working capital. **Office**—155 Montgomery Street, San Francisco, Calif. **Underwriters**—Birr & Co., Inc., and Wilson, Johnson & Higgins, both of San Francisco.

Schaper Manufacturing Co., Inc. (5/22-26)

March 29, 1961 filed 80,600 shares of common stock (par \$4), of which 15,000 shares are to be offered for public sale by the company and 65,600 outstanding shares by the present holder thereof. **Price**—\$10 per share. **Business**—The design, assembly, manufacture and sale of a variety of plastic toys and games. **Proceeds**—For working capital. **Office**—650 Ottawa Ave., North, Minneapolis, Minn. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Schneider (Waiter J.) Corp.

March 30, 1961 filed 120,000 shares of class A common (par 10 cents). **Price**—\$5 per share. **Business**—Organized on March 24, 1961, the company plans to engage in the real estate business and allied activities. **Proceeds**—For general corporate purposes. **Office**—67 West 44th Street, New York City. **Underwriters**—Brand, Grumet & Seigel, Inc., and Kesselman & Co., Inc., both of New York City. **Offering**—Expected in late May.

Science Capital Corp.

May 9, 1961 filed 450,000 shares of capital stock. **Price**—\$8 per share. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—Philadelphia, Pa. **Underwriters**—Blair & Co., Inc., New York City; Stroud & Co., Inc., and Woodcock, Moyer, Fricke & French, Philadelphia.

Scope, Inc.

March 28, 1961 filed 75,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The research and development of projects for agencies of the U. S. Government. **Proceeds**—For the repayment of debt, production and marketing of new products, and for working capital. **Office**—121 Fairfax Drive, Falls Church, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C. **Offering**—Expected in early June.

Scot Lad Foods, Inc. (5/29)

March 28, 1961 filed 250,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The packaging of food products for supermarkets. **Proceeds**—The net proceeds, estimated at \$2,185,000, will be applied to outstanding indebtedness, with the balance to be added to working capital. **Office**—Chicago, Ill. **Underwriter**—Hayden, Stone & Co., New York City (managing).

Seaboard Electronic Corp.

April 26, 1961 filed 100,000 outstanding shares of common stock to be offered for public sale by the present holders thereof. **Price**—\$5.50 per share. **Business**—The manufacture of warning signals, control boxes, intervalometers and related equipment for aircraft and missile application. **Proceeds**—For the selling stockholders. **Office**—417 Canal Street, New York City. **Underwriter**—Amos Treat & Co., Inc., New York City (managing).

Seacrest Industries Corp.

Feb. 24, 1961 (letter of notification) 40,000 shares of common stock (par one cent). **Price**—\$7.50 per share. **Business**—The sale of home-freezers and refrigerator-freezer combinations, home delivery of food plans, and manufacture and sale of swimming pools. **Proceeds**—For the purchase of Westchester Foods, Inc. stock; current liabilities; building improvements; advertising, promotion and expansion and for general corporate purposes. **Office**—354 Franklin Avenue, Franklin Square, Long Island, N. Y. **Underwriters**—A. J. Gabriel Co., Inc., New York, N. Y. and Williamson Securities Corp., 92 Liberty Street, New York 6, N. Y.

Servonic Instruments, Inc.

April 26, 1961 filed 95,000 shares of no par common stock, of which 50,000 shares are to be offered for public sale by the company and 45,000 shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The research, design, development, manufacture and sale of precision devices consisting primarily of electromechanical transducers, for a variety of military, industrial and scientific uses. **Proceeds**—For new equipment, plant expansion and working capital. **Office**—1644 Whittier, Calif. **Underwriter**—C. E. Unterberg, Towbin Co., New York City.

Shepard Airtronics, Inc.

April 26, 1961 (letter of notification) 75,000 shares of common stock (par one cent). **Price**—\$4 per share. **Business**—The manufacture of high altitude breathing and ventilation equipment. **Proceeds**—For repayment of loans; new equipment, research and development, plant improvement, purchase of inventory, advertising and working capital. **Office**—787 Bruckner Boulevard, Bronx, N. Y. **Underwriter**—L. C. Wegard & Co., Levittown, N. J.

Sica Skiffs, Inc.

April 19, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of "sea skiffs" a type of inboard motor boat. **Proceeds**—For the repayment of debt, the development of retail outlets, property improvement, and working capital. **Office**—Toms River, N. J. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia (managing). **Offering**—Expected in late June.

Sierra Pacific Power Co.

April 10, 1961 filed 132,570 shares of common stock (par \$3.75) being offered for subscription by common stockholders on the basis of one new share for each 12 shares held of record May 2, with rights to expire May 22. **Price**—\$29 per share. **Proceeds**—For the repayment of bank loans and for construction. **Office**—220 South Virginia Street, Reno, Nev. **Underwriter**—None.

Sierra Pacific Power Co. (5/11)

April 10, 1961 filed \$6,500,000 of first mortgage bonds, due 1991. **Proceeds**—For construction. **Office**—220 South Virginia Street, Reno, Nev. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Dean Witter & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—To be received on May 11, at 11 a.m. (DST) at 49 Federal Street (8th floor), Boston, Mass. **Information Meeting**—Scheduled for May 9 at 3 p.m. (DST) at One Chase Manhattan Plaza (23rd Floor), New York City.

Simulatics Corp.

March 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—\$2 per share. **Business**—The investigation of probable human behavior by use of computer technology. **Proceeds**—To repay a short-term bank loan; and for working capital and general corporate purposes. **Office**—501 Madison Avenue, New York 22, N. Y. **Underwriter**—Russell & Saxe, New York, N. Y.

Solar Systems, Inc.

April 20, 1961 (letter of notification) 125,000 shares of common stock (par 10 cents). **Price**—\$2 per share. **Proceeds**—To repay short term notes, for additional inventory, advertising, and working capital. **Office**—11936 Valerio Street, North Hollywood, Calif. **Underwriters**—Darius, Inc., New York, N. Y. and N. A. Hart & Co., Bayside, N. Y.

Sony Corp. (6/6)

April 28, 1961 filed 2,000,000 shares of common stock (par 50 yen). The underwriters will deliver to purchasers, ADR's evidencing American Depositary Shares (each representing 10 shares of Sony common). **Price**—To be supplied by amendment. **Business**—The manufacture and sale of transistorized radio and television receivers, magnetic tape recorders and other electronic equipment. **Proceeds**—For expansion. **Office**—Tokyo, Japan. **Underwriters**—Smith, Barney & Co., and The Nomura Securities Co., Ltd., both of New York City.

Sony Corp.

May 3, 1961 filed 798,200 shares of common stock (par 50 yen) to be offered for subscription by common stockholders resident in the U. S., on the basis of one new share for each share held of record March 1. **Price**—At par (about 14 cents). **Business**—The manufacture and sale of transistorized radio and television receivers, magnetic tape recorders and other electronic equipment. **Proceeds**—For expansion. **Office**—Tokyo, Japan. **Underwriter**—None.

Southern Electric Generating Co. (6/15)

May 8, 1961 filed \$20,000,000 of first mortgage bonds due June 1, 1992. **Proceeds**—For construction. **Office**—600 North 18th Street, Birmingham, Ala. **Underwriters**—To be determined by competitive bidding. Previous bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Blyth & Co., Inc. (jointly); Morgan Stanley & Co.; White, Weld & Co., and Kidder, Peabody & Co. (jointly); Eastman Dillon, Union Securities & Co.; Equitable Securities Corp., and Drexel & Co., (jointly); First Boston Corp. **Bids**—To be received June 15 at 11 a.m. (DST) in Room 1600, 250 Park Avenue, New York City. **Information Meeting**—Scheduled for June 12 at 3 p.m. (DST) on 5th floor of 55 Wall Street, New York City.

Southland Life Insurance Co. (6/5-9)

March 28, 1961 filed 80,000 shares of common stock, to be offered to holders of the outstanding common on the basis of one new share for each five shares held. **Price**—To be supplied by amendment. **Proceeds**—To purchase the 55% of the outstanding common stock of Carolina Life Insurance Co. not heretofore owned by

the issuer. **Office**—Dallas, Texas. **Underwriter**—Equitable Securities Corp., Nashville, Tenn. (managing).

★ **Standard Brands Paint Co.**

May 2, 1961 filed 265,000 shares of common stock (par \$1). **Price**—To be supplied by amendment. **Business**—The manufacture and direct retail sale of paints, enamels, varnishes and allied products in the Southern California area. **Proceeds**—For the repayment of debt, the retirement of outstanding 8% debentures and for expansion. **Office**—4300 W. 190th St., Torrance, Calif. **Underwriters**—Sutro Bros. & Co., and Allen & Co., both of New York City (managing). **Offering**—Expected in June.

Standard Security Life Insurance Co. of N. Y. March 27, 1961 filed 162,000 shares of common stock to be offered for subscription by holders of common and class A stock on the basis of two new shares for each five shares held. **Price**—To be supplied by amendment. **Business**—The writing of life, accident and health insurance. **Proceeds**—For general corporate purposes. **Office**—111 Fifth Avenue, New York City. **Underwriter**—None.

★ **Stein, Hall & Co., Inc. (5/15-19)**

March 30, 1961 filed 250,000 outstanding shares of common stock (par \$1), to be offered for public sale by the holders thereof. **Price**—To be supplied by amendment. **Business**—The company manufactures a wide variety of chemical specialty products, including specialized adhesives, synthetic resins, natural gum derivatives, food stabilizers and similar items. **Proceeds**—For the selling stockholders. **Office**—285 Madison Avenue, New York City. **Underwriter**—F. Eberstadt & Co., New York City (managing).

★ **Sterling Investment Co.**

April 18, 1961 (letter of notification) 2,500 shares of common stock (par \$10) and 2,500 \$90 7% registered bonds due July 1, 1971 to be offered in units consisting of one share of common and one \$90 10-year registered 7% bond. **Price**—\$100 per unit. **Proceeds**—For general corporate purposes. **Office**—12 S. 12th St., Philadelphia, Pa. **Underwriter**—None.

★ **Stocker & Yale, Inc. (5/16)**

March 30, 1961 (letter of notification) 100,000 shares of no-par common stock. **Price**—\$3 per share. **Business**—Manufacturers of precision dimensional measuring devices and developers of optical and audio-visual equipment. **Proceeds**—New product development, expansion of marketing program, and working capital. **Office**—40 Green St., Marblehead, Mass. **Underwriter**—First Weber Securities Corp., 79 Wall Street, New York City.

★ **Stratton Corp. (6/12)**

March 3, 1961 filed \$650,000 of 5% convertible subordinated debentures, due Dec. 1, 1981. **Price**—At 100% of principal amount. **Business**—The development and operation of a winter and summer recreational resort on Stratton Mountain in southern Vermont. **Proceeds**—For construction. **Office**—South Londonderry, Vt. **Underwriter**—Cooley & Co., Hartford, Conn.

★ **Straus-Duparquet Inc.**

Sept. 28, 1960 filed \$1,000,000 of 7% convertible subordinated debentures, due 1975. **Price**—At par. **Office**—New York City. **Underwriters**—John R. Boland & Co., New York City and Paul C. Kimball & Co. (Chicago).

★ **Sunnyside Telephone Co.**

April 13, 1961 (letter of notification) 87,664 shares of common stock (par \$1). **Price**—\$1.50 per share. **Proceeds**—For a new building and equipment. **Address**—Clackamas, Ore. **Underwriter**—June S. Jones Co., Portland, Ore.

★ **Super Food Services, Inc.**

April 14, 1961 filed 60,000 shares of common stock (par one cent), of which 30,000 shares are to be offered for public sale by the company and 30,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries distribute food products to about 643 independently owned IGA retail grocery stores in Ohio, Florida, New York, New Jersey and Michigan. **Proceeds**—For working capital. **Office**—105 South LaSalle St., Chicago, Ill. **Underwriter**—Shearson, Hammill & Co., New York City (managing). **Offering**—Expected in late May.

★ **Suva Industries Inc.**

April 27, 1961 filed 125,000 shares of common stock, of which 100,000 shares are to be offered for public sale by the company and 25,000 outstanding shares by the present holders thereof. **Price**—\$4 per share. **Business**—The manufacture of supported vinyl plastic sheeting for the automobile, furniture and clothing industries. **Proceeds**—For additional equipment, product expansion and working capital. **Office**—Cantiagua Road, Westbury, N. Y. **Underwriters**—Milton D. Blauner & Co., and Brukenfeld & Co., both of New York City. **Offering**—Expected about mid-June.

★ **Taddeo Bowling & Leasing Corp.**

March 31, 1961 filed \$600,000 of 8% convertible subordinated debentures due 1971, 125,000 shares of common stock and 50,000 class A warrants to purchase common stock to be offered for public sale in units consisting of \$240 of debentures, 50 common shares and 20 warrants. **Price**—\$640 per unit. **Business**—The construction of bowling centers. **Proceeds**—For construction and working capital. **Office**—873 Merchants Road, Rochester, N. Y. **Underwriter**—Myron A. Lomasney & Co., New York City (managing). **Offering**—Expected in June.

★ **Taffet Electronics, Inc. (6/30)**

April 28, 1961 filed 132,000 shares of common stock. **Price**—\$3 per share. **Business**—The manufacture of electronic equipment, principally electronic test equipment, partial electronic systems and assemblies, and the fabrication of electronic components, for use primarily in the communications field. **Proceeds**—For additional

equipment, capital improvements and working capital. **Office**—27-01 Brooklyn Queens Expressway, Woodside, N. Y. **Underwriters**—Fialkov & Co., Inc. (managing); Stanley Heller & Co., Amos Treat & Co., Inc., all of New York City.

★ **Tassette, Inc.**

Feb. 15, 1961 filed 200,000 shares of class A stock. **Price**—\$12 per share. **Business**—The company was organized under Delaware law in 1959 to finance the exploitation and sale of "Tassette," a patented feminine hygiene aid. **Proceeds**—For advertising and promotion, market development, medical research and administrative expenses. **Office**—170 Atlantic St., Stamford, Conn. **Underwriter**—Amos Treat & Co., Inc., New York City (managing); Bruno-Lenchner, Inc., Pittsburgh; and Karen Securities Corp., New York City. **Offering**—Imminent.

★ **Tax-Exempt Public Bond Trust Fund**

Jan. 16, 1961 filed \$5,000,000 of interests (5,000 units). **Price**—To be computed on the basis of the trustees evaluation of the underlying public bonds, plus a stated percentage (to be supplied by amendment) and dividing the sum thereof by 5,000. **Business**—The trust was formed by John Nuveen & Co., Chicago, Ill., to invest in tax-exempt obligations of states, counties, municipalities and territories of the United States. **Sponsor**—John Nuveen & Co., 135 South La Salle Street, Chicago, Ill.

★ **Tax-Exempt Public Bond Trust Fund, Series 2**

Feb. 23, 1961 filed \$10,000,000 (10,000 units) ownership certificates. **Price**—To be filed by amendment. **Business**—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds**—For investment. **Office**—135 South La Salle Street, Chicago, Ill. **Sponsor**—John Nuveen & Co., Chicago, Ill.

★ **Telephone Employees Insurance Co.**

March 22, 1961 filed 43,117 shares of capital stock to be offered for subscription by stockholders on the basis of two new shares for each three shares held. **Price**—\$27.50 per share. **Business**—The company writes automobile casualty insurance, principally to employees of telephone companies who are considered preferred risks. **Office**—Pedwood and Light Sts., Baltimore, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

★ **Templeton, Damroth Corp.**

March 30, 1961 filed \$1,500,000 of 5½% convertible debentures, due 1969, with 120,000 shares of class A common stock (non-voting) and 12,000 shares of class B common (voting) stock, into which the debentures are convertible. Of the \$1,500,000 of debentures, \$1,260,000 are presently outstanding. **Price**—100% of the principal amount. **Business**—The management and distribution of shares of four investment companies, and also private investment counselling. **Proceeds**—To increase the sales efforts of subsidiaries, to establish a new finance company, and for general corporate purposes. **Office**—630 Third Avenue, New York City. **Underwriter**—Hecker & Co., Philadelphia is underwriting \$445,000 of the debentures.

★ **Tennessee Gas Transmission Co. (5/16)**

April 14, 1961 filed \$75,000,000 of debentures due May 1, 1981. **Price**—To be supplied by amendment. **Proceeds**—For the repayment of debt, expansion and advances to subsidiaries. **Office**—Tennessee Building, Houston, Texas. **Underwriters**—Stone & Webster Securities Corp.; White, Weld & Co., and Halsey, Stuart & Co. Inc., (managing).

★ **Terry Industries, Inc.**

Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—For the company's shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. **Business**—The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. **Proceeds**—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. **Office**—11-11 34th Ave., Long Island City, L. I., N. Y. **Underwriter**—(For the company's shares only) Greenfield & Co., Inc., New York City.

★ **Therm-Air Mfg. Co., Inc.**

April 11, 1961 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—\$5 per share. **Business**—Manufacturers of self-contained packaged temperature and humidity control equipment. **Proceeds**—For general corporate purposes. **Address**—Peekskill, N. Y. **Underwriter**—Harry Odzer Co., New York, N. Y.

★ **Thor Power Tool Co.**

April 19, 1961 filed \$4,000,000 of subordinated convertible debentures due June 1, 1981. **Price**—To be supplied by amendment. **Business**—The manufacture of portable tools and other industrial products. **Proceeds**—To retire short-term bank loans. **Office**—175 North State St., Aurora, Ill. **Underwriter**—Hornblower & Weeks, New York City (managing). **Offering**—Expected in mid-June.

★ **Thompson-Starrett Co., Inc.**

March 29, 1961 filed 1,000 outstanding shares of \$0.70 cumulative convertible preferred stock (par \$10) and 1,172,243 outstanding shares of common stock to be offered for public sale by the holders thereof. **Price**—At the market. **Business**—The design, engineering and construction of an office building and research laboratory; and the assembling and distribution of radios, television sets and electric organs. **Proceeds**—For the selling stockholders. **Office**—745 Fifth Avenue, New York City. **Underwriter**—None.

★ **Thrift Courts of America, Inc.**

Feb. 28, 1961 filed \$800,000 of 10-year 8% convertible subordinated debentures, 100,000 shares of common stock and 50,000 warrants to purchase a like number of common shares, to be offered in units of \$400 of debentures, 50 common shares, and 25 warrants. **Price**—\$800 per unit. **Business**—The manufacture and sale of mobile homes, and the pre-construction of motel units. **Proceeds**—To repay bank loans, provide funds for the issuer's subsidiary, and add to working capital. **Office**—1630 West Bristol St., Elkhart, Ind. **Underwriter**—Myron A. Lomasney & Co., New York City (managing). **Offering**—Imminent.

★ **Toledo Plaza Limited Partnership.**

April 7, 1961 filed \$522,500 of interests in the partnership to be offered for public sale in 209 units. **Price**—\$2,500 per unit. **Business**—The partnership was organized under Maryland law in April 1961 to acquire, develop and operate the Toledo Plaza apartment project in Prince George County, Md., scheduled for occupancy in May, 1961. **Proceeds**—For the purchase of the above property. **Office**—1411 K St., N. W., Washington, D. C. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C. **Offering**—Expected in late May.

★ **Trans World Airlines, Inc.**

March 30, 1961 filed \$111,235,900 of 6½% subordinated income debentures, due 1978, with warrants, to be offered for subscription by stockholders on the basis of \$100 principal amount of debentures for each 6 common shares held. **Price**—To be supplied by amendment. **Proceeds**—For repayment of debt and general corporate purposes. **Office**—380 Madison Ave., New York City. **Underwriter**—None. Hughes Tool Co., which owns voting trust certificates representing 78.23% of the company's outstanding stock, has agreed to purchase enough of the unsubscribed for debentures, if any, to provide the company with at least \$100,000,000. **Offering**—Expected in late May.

★ **Transcontinental Investment Co.**

March 15, 1961 (letter of notification) 120,000 shares of common stock (par \$1). **Price**—\$2.50 per share. **Proceeds**—For advances to subsidiaries. **Office**—278 S. Main Street, Salt Lake City, Utah. **Underwriter**—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

★ **Transition Systems, Inc.**

April 25, 1961 filed 72,200 shares of common stock. **Price**—\$4.50 per share. **Business**—The company plans to engage in research to develop correlation devices for improving the performance of information retrieval systems. **Proceeds**—For working capital, research and development, leasehold improvements, the purchase of engineering and drafting materials, and the rental of computers. **Office**—160 Broadway, New York City. **Underwriter**—Richard Bruce & Co., Inc., New York City.

★ **Trebor Oil Co. Ltd.**

May 1, 1961 filed \$150,000 of limited partnership interests to be offered for public sale in 150 units. **Price**—\$1,000 per unit. **Proceeds**—For the acquisition of oil leases and the development of, thereof. **Office**—213 First National Bank Building, Abilene, Texas. **Underwriter**—None.

★ **Triangle Instrument Co.**

March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Business**—The manufacture of precision instruments and components. **Proceeds**—For equipment, inventory, the repayment of debt, and working capital. **Office**—Oak Drive and Cedar Place, Syosset, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York City.

★ **Tungsten Mountain Mining Co.**

April 7, 1961 (letter of notification) 400,000 shares of common stock (par 25 cents). **Price**—62½ cents per share. **Proceeds**—For mining expenses. **Office**—511 Securities Bldg., Seattle, Wash. **Underwriter**—H. P. Pratt & Co., Inc., Seattle, Wash.

★ **Union Tank Car Co.**

April 28, 1961 filed \$40,000,000 of sinking fund debentures due Aug. 1, 1986. **Business**—The furnishing of railway tanks cars to shippers of petroleum products and other liquids. **Proceeds**—For the retirement of a bank loan. **Office**—228 N. La Salle Street, Chicago, Ill. **Underwriters**—Smith, Barney & Co. Inc., and Blunt Ellis & Simmons, Chicago (managing). **Offering**—Expected in late May.

★ **U. S. Fiberglass Products Co.**

April 27, 1961 filed 200,000 shares of common stock. **Price**—\$2 per share. **Business**—The company plans to manufacture fiberglass shingles, beams, purlin and other materials. **Proceeds**—For working capital, inventory and equipment, and sales promotion. **Office**—Clarkville, Texas. **Underwriter**—Hauser, Murdock, Rippey & Co., Dallas, Texas.

★ **U. S. Mfg. & Galvanizing Corp. (5/22-26)**

Jan. 3, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Proceeds**—To reduce current liabilities, sales promotion, purchase inventory, and for working capital. **Office**—5165 E. 11th Avenue, Hialeah, Fla. **Underwriter**—Armstrong & Co., Inc., 15 William St., New York, N. Y.

★ **U. S. Realty Investment Trust (5/29)**

March 30, 1961 filed 386,975 shares of beneficial interest in the Trust. **Price**—\$10 per share. **Business**—The ownership of diversified real estate properties. **Proceeds**—For investment. **Office**—720 Euclid Ave., Cleveland, O. **Underwriter**—Hornblower & Weeks, New York City (managing).

★ **Universal Manufacturing Co.**

Feb. 23, 1961 (letter of notification) 135,000 shares of common stock (par 10 cents) of which 35,000 shares are

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to be offered for the account of the company and 100,000 outstanding shares, stock, by the selling stockholders. **Price**—\$2 per share. **Proceeds**—For working capital. **Office**—516 W. 4th Street, Winona, Minn. **Underwriter**—Naftalin & Co., Inc., Minneapolis, Minn.

Upper Peninsula Power Co. (5/17)

April 14, 1961 filed 26,000 shares of common stock (par \$9). **Price**—To be supplied by amendment. **Proceeds**—To repay debt and for construction. **Office**—616 Sheldon Avenue, Houghton, Mich. **Underwriters**—Kidder, Peabody & Co.; Paine, Webber, Jackson & Curtis and Stone & Webster Securities Corp.

Vahlsing, Inc.

April 24, 1961 filed 300,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company plans to acquire the business of F. H. Vahlsing, Inc., a Maine grower and shipper of potatoes and to operate a plant now being constructed for the processing of potatoes. **Proceeds**—For the repayment of debt and working capital. **Office**—Easton, Maine. **Underwriter**—Pistell, Crow, Inc., New York City (managing).

Vanguard Chemical Co.

April 28, 1961 (letter of notification) 93,200 shares of common stock (par \$1). **Price**—\$2.50 per share. **Proceeds**—To repay debts, for equipment, and working capital. **Office**—118 S. Pecos St., Denver, Colo. **Underwriter**—None.

Varian Associates

May 1, 1961 filed 347,883 shares of capital stock to be offered for subscription by shareholders on the basis of one new share for each 10 shares held. **Price**—To be supplied by amendment. **Business**—The design, manufacture and sale of microwave tubes, and electronic components and systems for military, commercial and industrial use. **Proceeds**—For a new plant, equipment, the repayment of bank loans and for working capital. **Office**—611 Hansen Way, Palo Alto, Calif. **Underwriter**—Dean Witter & Co., San Francisco (managing).

Varicraft Industries, Inc.

May 4, 1961 refilled 120,000 shares of common stock (par 5c), of which 100,000 shares are to be offered for the account of the issuing company and 20,000 shares, representing outstanding stock, are to be offered for the account of the underwriter as selling stockholder. **Price**—To be supplied by amendment. **Proceeds**—To reduce outstanding indebtedness, for expansion, and for general corporate purposes. **Office**—45th and Crescent Blvd., Pennsauken, N. J. **Underwriter**—Peter Herbert Co., Inc., 150 Broadway, New York City.

Vector Engineering, Inc. (5/29)

March 3, 1961 (letter of notification) 50,000 shares of common stock (par 10 cents). **Price**—\$6 per share. **Business**—Provides engineering and design services. **Proceeds**—For general corporate purposes. **Office**—155 Washington Street, Newark, N. J. **Underwriter**—Omega Securities Corp., New York, N. Y.

Versapak Film & Packaging Machinery Corp.

March 30, 1961 filed 150,000 shares of common stock and 150,000 five-year warrants, to be offered for public sale in units of one share of stock and one warrant. **Price**—\$3.125 per unit. **Business**—The design, development and sale of versatile automatic equipment for packaging items in special heat-shrinkable film. **Proceeds**—To repay loans, for additional equipment and inventory; and for working capital. **Office**—928 Broadway, New York City. **Underwriters**—Hill, Thompson & Co. (managing); Hampstead Investing Corp., and Globus, Inc., all of New York City.

Virginia Chemicals & Smelting Co. (6/6)

April 18, 1961 filed 135,000 shares of common stock, of which 50,000 shares will be offered for the account of the company and 85,000 outstanding shares for the selling stockholders. **Price**—To be supplied by amendment. **Business**—The manufacture of industrial chemicals, refrigerants and aerosol insecticides. **Proceeds**—For expansion. **Office**—Norfolk, Va. **Underwriter**—White, Weld & Co., New York City (managing).

Waldorf Auto Leasing, Inc.

March 23, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Business**—The rental of automobiles. **Proceeds**—For purchase of automobiles, advertising and sales promotion, and working capital. **Office**—1712 E. 9th Street, Brooklyn 23, N. Y. **Underwriters**—Martinelli & Co., Inc.; First Atlantic Securities Co. and V. K. Osborn & Sons, Inc., all of New York City. **Offering**—Expected in late May.

Walter Sign Corp.

March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—\$3 per share. **Business**—The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promotion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

Waltham Watch Co. (5/15-19)

March 9, 1961 refilled 100,000 shares of common stock (par \$2.50) and \$600,000 of 16-year convertible bonds (convertible into common at \$6 per share), to be sold initially to stockholders in units of 25 shares of stock and \$150 of debentures. **Price**—For the stock: about \$8 per share; for the debentures: at par. **Business**—The importing, assembling, manufacturing and selling of watches and jewelry. **Proceeds**—For working capital. **Office**—231 South Jefferson St., Chicago, Ill. **Underwriter**—P. J. Gruber & Co., Inc., (managing); Underhill Securities Corp., and Peter Herbert & Co., Inc., all of New York City.

Warner Brothers Co. (5/31)

March 29, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The

manufacture and sale of women's foundation garments, men's and women's shirts, sleepwear and paperboard packaging. **Proceeds**—To repay loans incurred for recent acquisitions. **Office**—325 Lafayette St., Bridgeport, Conn. **Underwriter**—Lehman Brothers, New York City (managing).

Washington Natural Gas Co.

March 30, 1961 filed 118,384 shares of common stock and warrants to purchase 3,500 shares. The company is offering 114,884 shares for subscription by common stockholders on the basis of one new share for each 10 shares held of record May 1, with rights to expire May 22. **Price**—\$29 per share. **Business**—The distribution of natural gas at retail in the Puget Sound area of Washington state. **Proceeds**—For the repayment of bank loans and for construction. **Office**—1507 Fourth Ave., Seattle, Wash. **Underwriters**—Dean Witter & Co., San Francisco; Plyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc., both of New York City.

Washington Real Estate Investment Trust

March 31, 1961 filed 600,000 shares of beneficial interest in the Trust. **Price**—\$5 per share. **Business**—For investment in income producing real estate in the metropolitan Washington, D. C. area. **Proceeds**—For investment. **Office**—919 18th St., N. W., Washington, D. C. **Underwriters**—Ferris & Co., Washington, D. C. (managing). **Offering**—Expected in late June.

Watsco, Inc.

April 13, 1961 filed 155,000 shares of common stock, of which 135,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present stockholder. **Price**—To be supplied by amendment. **Business**—The manufacture of valves, strainers and other products for the refrigeration and air conditioning industry. **Proceeds**—For construction; new equipment; advertising; salaries; the repayment of debt, and working capital. **Office**—1020 E. 15th St., Hialeah, Fla. **Underwriter**—Aetna Securities Corp., New York City (managing).

Wayne-George Corp. (5/18)

March 22, 1961 filed 80,000 shares of common stock (no par), of which 60,000 shares are to be offered for public sale by the company and 20,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The design, development and manufacture of digital transducers. **Proceeds**—For repayment of debt, new equipment, research and development, and working capital. **Office**—588 Commonwealth Ave., Boston, Mass. **Underwriter**—Hayden, Stone & Co., New York City.

Webster Publishing Co., Inc.

March 13, 1961 filed 131,960 shares of common stock, of which 80,000 shares are to be offered for public sale by the company and 51,960 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—Publishes textbooks for elementary and high school students. **Proceeds**—To develop program materials designed for use in teaching machines and in other formats, and for working capital. **Office**—1154 Reco Ave., St. Louis, Mo. **Underwriter**—Newhard, Cook & Co., St. Louis (managing).

Western Factors, Inc.

June 29, 1960 filed 700,000 shares of common stock. **Price**—\$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office**—1201 Continental Bank Bldg., Salt Lake City, Utah. **Business**—Factoring. **Underwriter**—Elmer K. Aagaard, Newhouse Bldg., Salt Lake City, Utah.

Western Growth Corp.

March 17, 1961 filed 202,107 shares of class A common stock (par 10 cents), of which 150,000 shares are to be offered for public sale by the company in units of 10 shares each; and 52,107 outstanding shares by selling stockholders after trading commences. **Price**—For the company's stock: \$100 per unit. For the selling stockholder: At-the-Market. **Business**—The development of property in California for single-family homes, the investment in notes or contracts secured by single-family homes, and other phases of the real estate business. **Proceeds**—For ordinary expenses, repayment of loans and working capital. **Office**—636 North La Brea Ave., Los Angeles, Calif. **Underwriter**—Reese, Scheffel & Co., Inc., New York City. **Offering**—Expected in late May.

Western Shell Homes Corp.

April 28, 1961 (letter of notification) 120,000 shares of common stock (par 50 cents). **Price**—\$2.50 per share. **Proceeds**—To purchase machinery, increase inventory, to reduce debt and for working capital. **Office**—Foot N. Pierce Avenue, Portland, Ore. **Underwriter**—Joseph Nadler & Co., Inc., New York, N. Y.

Williamhouse, Inc.

March 27, 1961 filed 106,000 shares of common stock. **Price**—\$6 per share. **Business**—The manufacture and sale of paper products including envelopes, announcements and advertising materials. **Proceeds**—To repay debt and for working capital. **Office**—185 Kent Avenue, Brooklyn, N. Y. **Underwriter**—Robert L. Ferman & Co., Inc., Miami, Fla.

Wolf Corp.

Feb. 15, 1961 filed 30,000 shares of class A stock. **Price**—\$10 per share. **Business**—The company was organized under Delaware law in January 1961 and proposes to engage in the construction, investment and operation of real estate properties. **Proceeds**—For investment and working capital. **Office**—10 East 40th St., New York City. **Underwriter**—None.

Wonderbowl, Inc.

Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par (\$2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. **Office**

—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

Work Wear Corp.

March 31, 1961 filed 310,604 shares of common stock (par \$1), of which 141,925 shares are to be offered for public sale by the company and 168,679 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and sale of work clothing, and industrial laundering and garment rental. **Proceeds**—For the repayment of debt and working capital. **Office**—1768 East 25th St., Cleveland, O. **Underwriter**—Hornblower & Weeks, New York City (managing). **Offering**—Expected in late May.

Wrather Corp.

March 29, 1961 filed 350,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The company manufactures and sells Stephens power and sail boats, and various marine and sporting goods manufactured by others. It also plans to acquire the stock of Muzak Corp., Wrather Hotels, Inc., Wrather Realty Corp., Stephens Marine, Inc., and various television film properties. **Proceeds**—For construction, repayment of debt and working capital. **Office**—270 North Canon Drive., Beverly Hills, Calif. **Underwriter**—Lee Higginson Corp., New York City (managing). **Offering**—Expected in early June.

Yarbrough Petroleum Corp.

April 18, 1961 (letter of notification) 300,000 shares of common stock. **Price**—At par (\$1 per share). **Proceeds**—For expenses for developing oil and gas properties. **Office**—729 E. Willow St., Long Beach, Calif. **Underwriter**—None.

Youngwood Electronic Metals, Inc.

April 13, 1961 filed 75,000 shares of common stock. **Price**—\$4 per share. **Business**—The design, development and manufacture of precision parts or stampings principally used in the semi-conductor industry. **Proceeds**—For the repayment of debt; inventory; research and development, and working capital. **Office**—204 North Fifth Street, Youngwood, Pa. **Underwriters**—Bruno-Lenchner, Inc., Pittsburgh and Amos Treat & Co., New York City. **Offering**—Expected in June.

Yuscaran Mining Co.

May 6, 1960 filed 1,000,000 shares of com. stock. **Price**—\$1 per share. **Proceeds**—It is expected that some \$100,000 will be used to purchase and install a mill for the processing of ore; \$60,000 for rails, ties, rail cars and related equipment; \$10,000 for rebuilding roads; \$30,000 for transportation equipment; and \$655,000 for working capital. **Office**—6815 Tordera St., Coral Gables, Fla. **Underwriter**—None. **Note**—The SEC has challenged the accuracy and adequacy of this statement. On May 4, 1961, the company reported that it was negotiating a merger with another company and that financing plans have been indefinitely postponed.

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder. Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings

A. T. U. Productions, Inc.

March 15, 1961, it was reported that this company plans a "Reg. A" filing covering 100,000 shares of common stock (par 10 cents). **Price**—\$3 per share. **Proceeds**—To finance production of TV films. **Office**—130 W. 57th Street, New York City. **Underwriter**—Marshall Co., 40 Exchange Place, New York City. **Registration**—Expected in May.

Acoustica Associates, Inc.

April 11, 1961, it was stated that this company is seeking to acquire other firms with compatible product lines and that equity financing may be needed to finance current expansion program. **Business**—The company manufactures ultrasonic cleaning systems for missile equipment, hospital surgical instruments and the metals industry. It also makes fluorescent lighting fixtures and a product for gauging the level of liquids. **Office**—First National Bldg., Birmingham, Ala. **Underwriter**—Lehman Brothers, New York City.

All American Airways Co.

May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 75,000 shares of common stock. **Price**—\$4 per share. **Office**—Danbury, Conn. **Underwriter**—Edward Lewis Co. Inc., New York City (managing).

American Export Lines, Inc.

May 3, 1961 it was reported that this company plans to sell \$18,400,000 of government insured merchant marine bonds due Sept. 1, 1985. **Business**—The company operates passenger and cargo vessels between New York City and the Great Lakes to the Mediterranean and Red Sea Ports, India and Burma. **Proceeds**—To cover 75% of the cost of four new vessels now under construction. **Office**—39 Broadway, New York City. **Underwriter**—Kuhn, Loeb & Co., New York City. **Offering**—Expected in late May.

American Missiltronics, Inc.

May 10, 1961 it was reported that this corporation is planning to register shortly 125,000 shares of common stock. **Price**—\$4 per share. **Business**—The issuing firm

is a holding company for Jersey Packing Co. and a closed-circuit television camera manufacturer. **Proceeds**—For general corporate purposes, including the production of the TV camera. **Offices**—136 Orange St. and 49 Edison Place, both in Newark, N. J. **Underwriter**—T. M. Kirsch & Co., New York City.

★ **American Telephone & Telegraph Co. (6/6)**
March 15, 1961, the company announced plans to issue \$250,000,000 of debenture bonds due June 1, 1998. **Proceeds**—For refunding a like amount of 5½% debentures due Nov. 1, 1986, on or about July 10. **Office**—195 Broadway, New York 7, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Morgan Stanley & Co.; Halsey, Stuart & Co.; First Boston Corp. **Bids**—To be received at the office of the company on June 6.

★ **Appalachian Power Co.**
Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell \$35,000,000 to \$40,000,000 of bonds late in 1961 or early in 1962. **Office**—2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

★ **Arizona Public Service Co.**
Feb. 8, 1961 it was reported that this company plans to issue about \$38,000,000 of bonds in May and some preferred or common stocks in the fourth quarter. The company expects to spend about \$320,000,000 on construction in the period 1961 to 1965 of which some \$230,000,000 will come from outside sources. **Office**—501 South Third Ave., Phoenix, Ariz. **Underwriters**—To be determined. The last sale of bonds was made privately on March 26, 1959 through Blyth & Co., Inc., and The First Boston Corp. The last sale of preferred stock on June 18, 1958 and the last sale of common (to stockholders on May 24, 1959) was also handled by Blyth & Co. and The First Boston Corp.

★ **Baltimore Gas & Electric Co.**
Feb. 21, 1961, F. E. Rugemer, Treasurer, stated that the company is considering the issuance of \$15,000,000 to \$20,000,000 of non-convertible debentures or preferred stock in the second quarter of 1961 and about \$20,000,000 of bonds in late 1961 or early 1962. **Office**—Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; White, Weld & Co. and First Boston Corp. (jointly); Harriman Ripley & Co., Inc. and Alex. Brown & Sons (jointly). The last sale of debentures was made to stockholders on May 8, 1959 through subscription rights and was underwritten by First Boston Corp., and associates. The last sale of preferred stock on Aug. 13, 1940 was handled by White, Weld & Co., and associates.

★ **Brockton Edison Co.**
May 3, 1961 it was reported that this subsidiary of Eastern Utilities Associates is considering the refinancing of its \$3,000,000 outstanding preferred with \$4,000,000 of a lower dividend issue. **Office**—36 Main Street, Brockton, Mass. **Underwriters**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Kuhn, Loeb & Co., and Stone & Webster Securities Corp.

★ **Caldor, Inc.**
March 15, 1961 it was reported that a full filing will be made soon covering an undisclosed number of common shares. **Price**—\$5 per share. **Business**—Operates a chain of discount stores in Northern Westchester and Connecticut. **Office**—Riverside, Conn. **Underwriter**—Ira Haupt & Co., New York City (managing). **Registration**—Temporarily postponed.

★ **California Electric Power Co.**
Jan. 18, 1961 it was reported that this company's plans to offer \$8,000,000 of bonds will be governed more by the conditions of the money market than by the company's early need for long-term financing. With its 1961 construction program tentatively scheduled at \$20,000,000, the company can wait at least until fall before it needs financing. **Proceeds**—For construction. **Office**—2885 Foothill Boulevard, San Bernardino, Calif. **Underwriters**—To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co.; Halsey, Stuart & Co., Inc.; First Boston Corp.; Merrill Lynch, Pierce, Fenner & Smith Inc.

★ **Caxton House Corp.**
Jan. 24, 1960 it was reported that a full filing of this company's stock, constituting its first public offering, will be made. **Price**—Approximately \$3 per share. **Business**—Book publishing. **Office**—9 Rockefeller Plaza, New York City. **Underwriter**—To be named.

★ **Central Louisiana Electric Co., Inc.**
Feb. 21, 1961 it was reported that the company is considering the issuance of \$6,000,000 of bonds or debentures in the latter part of 1961. **Office**—415 Main St., Pineville, La. **Underwriters**—To be named. The last issue of bonds on April 21, 1959 was bid on by Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc. (jointly); Salomon Bros. & Hutzler, and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.

★ **Cincinnati Gas & Electric Co.**
Feb. 16, 1961 it was stated in the company's 1960 annual report that this utility plans to sell both first mortgage bonds and common stock in 1962 to finance its \$45,000,000 construction program. **Office**—Fourtin & Main Sts., Cincinnati, O. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Lehman Brothers (jointly); Morgan Stanley & Co. and W. E. Hutton & Co. (jointly); Blyth & Co., Inc., and First Boston Corp. (jointly); Eastman Dillon, Union

Securities & Co., and White, Weld & Co. (jointly). The last issue of common stock (81,510 shares) was sold privately to employees in August, 1960.

★ **Columbia Gas System, Inc.**
April 24, 1961 it was reported that this company is considering the sale of either \$20,000,000 of debentures, or \$25,000,000 of common stock in the fall. **Office**—120 East 41st Street, New York 17, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders on the debentures: Halsey, Stuart & Co., Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). The last sale of common stock on May 4, 1960 was handled by a group headed by Merrill Lynch, Pierce, Fenner & Smith Inc.; Shields & Co.; R. W. Pressprich & Co., and Carl M. Loeb, Rhoades & Co.

★ **Columbus & Southern Ohio Electric Co.**
March 13, 1961 it was reported the company will sell about \$10,000,000 additional common stock in late 1961. **Proceeds**—For expansion purposes. **Office**—215 N. Front St., Columbus 15, Ohio. **Underwriter**—Dillon, Read & Co.

★ **Commonwealth Edison Co.**
Jan. 10, 1961 it was reported that this company plans to sell \$30,000,000 of bonds in the second quarter of 1961. **Office**—72 W. Adams Street, Chicago, Ill. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Kidder, Peabody & Co.; White, Weld & Co.; Blyth & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.

★ **Consumers Power Co.**
Feb. 15, 1961 it was reported that this company may sell \$20,000,000 of preferred and \$30,000,000 of bonds about mid-year. **Office**—212 West Michigan Ave., Jackson, Mich. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; White, Weld & Co. and Shields & Co. (jointly); Harriman Ripley & Co., and First Boston Corp. (jointly); Morgan Stanley & Co. The last sale of preferred stock, on July 21, 1955, was handled by Morgan Stanley & Co.

★ **Cosmetic Chemicals Corp.**
May 10, 1961 it was reported that this firm expects to register 100,000 shares of 1¢ par common stock. **Price**—\$4 per share. **Business**—The firm manufactures perfumes, cosmetics, and hair dyes. **Proceeds**—For general corporate purposes. **Office**—5 East 52nd St., New York City. **Underwriter**—Nance-Kieth Corp., 99 Wall St., New York 5, N. Y.

★ **Cowles Magazine & Broadcasting, Inc.**
May 3, 1961 it was reported that this corporation will issue stock later this year. The firm denied the report. **Business**—Publishing and allied fields. **Office**—488 Madison Ave., New York City. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

★ **Dallas Airmotive, Inc.**
May 10, 1961 it was reported that a registration statement will be filed shortly covering 390,000 shares of this company's common stock, of which 40,000 outstanding shares will be offered for the account of selling stockholders and 350,000 shares for the company. **Price**—About \$5.50 per share. **Office**—Dallas, Tex. **Underwriter**—Eppler, Guerin & Turner, Inc., Dallas, Tex.

★ **Delaware Power & Light Co.**
Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about \$14,600,000. The last offering of common to stockholders in June, 1956, consisted of 232,520 shares offered at \$35 a share to holders of record June 6, on the basis of one share for each eight shares held. **Proceeds**—For construction. **Office**—600 Market Street, Wilmington, Del. **Underwriter**—To be determined by competitive bidding. Probable bidders: Carl M. Loeb, Rhoades & Co., New York; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

★ **Dixie Pipeline Co.**
April 17, 1961 it was reported that this firm, recently formed by eight major oil companies, plans to build a 1,100 mile liquefied petroleum gas pipeline from Texas and Louisiana to Mississippi, Alabama, Georgia and the Carolinas. It is expected that the multi-million dollar pipeline will be financed in part by the sale of bonds and that it will be in operation by late 1961. **Office**—Tulsa, Okla. **Underwriters**—First Boston Corp.; Morgan Stanley & Co.; Carl M. Loeb, Rhoades & Co.

★ **Edo Corp.**
March 21, 1961 it was reported that this company plans the issuance and sale of \$2,000,000 of bonds. **Business**—The manufacturer of electronic equipment, particularly marine, airborne and underwater devices. **Proceeds**—For expansion. **Office**—1404 111 Street, College Point, N. Y. **Underwriter**—To be named.

★ **Exploit Films, Inc.**
March 8, 1961 it was reported that this company plans a full filing covering 100,000 common shares. **Price**—\$5 per share. **Proceeds**—For the production of TV and motion picture films, the reduction of indebtedness, and for working capital. **Office**—619 W. 54th Street, New York City. **Underwriter**—McClane & Co., Inc., 26 Broadway, New York City (managing).

★ **Fashion Flair Stores, Inc.**
April 27, 1961 it was reported that this company plans to refile on May 1 a "Reg. A" covering 86,350 shares of common stock. **Price**—\$3 per share. **Business**—The discount sale to consumers of women's dresses and sports-

wear. **Proceeds**—For general corporate purposes. **Office**—53 West 36th Street, New York City. **Underwriters**—Ronwin Securities Corp., Staten Island, N. Y., and Security Options Corp., New York City.

★ **Fawcett Publications, Inc.**
Jan. 20, 1961 it was reported that this family-owned publishing business is contemplating its first public offering. **Office**—Greenwich, Conn. **Underwriter**—To be named.

★ **First National Bank of San Jose**
May 8, 1961 it was reported that this bank is offering stockholders the right to subscribe to 70,400 shares (par \$5) on the basis of one share for each 6¼ shares held of record May 2, with rights to expire May 24. **Price**—\$32 per share. **Proceeds**—To increase capital. **Office**—One So. First St., San Jose, Calif. **Underwriters**—Dean Witter & Co., San Francisco (managing); Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc., New York City; Irving Lundborg & Co., San Francisco.

★ **First National Bank of Toms River (N. J.)**
March 22, 1961 it was reported that stockholders voted on this date to increase the authorized stock to provide for payment of a 66⅔% stock dividend and sale of 20,000 new shares of common (par \$5) to stockholders on the basis of one new share for each 20 shares held of record July 17, with rights to expire Aug. 17. **Price**—About \$22 per share. **Proceeds**—To increase capital. **Office**—Toms River, N. J. **Underwriter**—None.

★ **Gabriel Co.**
April 27, 1961, the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Talco and Bohanan divisions. In the fall of 1961, stock of the new subsidiary would be offered through subscription rights to Gabriel stockholders and debenture holders with about 20% of the offering going to the public. **Office**—1148 Euclid Avenue, Cleveland, Ohio. **Underwriters**—To be named. The last financing by the company in September, 1959, was handled by Carl M. Loeb, Rhoades & Co., New York City and Prescott, Shepard & Co., Inc., Cleveland.

★ **Gas Service Co.**
April 19, 1961, the company reported that on April 18 stockholders voted to authorize a new issue of 150,000 shares of preferred stock (par \$100). The company is considering the sale of between \$5,000,000 to \$7,500,000 of preferred and may issue some bonds at the same time. **Office**—700 Scarritt Bldg., Kansas City, Mo. **Underwriters**—To be named. The company has never issued preferred stock, but the last sale of common on April 19, 1954 was handled by Kuhn, Loeb & Co., Eastman Dillon, Union Securities & Co., Reynolds & Co., and Allen & Co. The last sale of bonds on July 6, 1958 was made privately through Eastman Dillon, Union Securities & Co., New York City and Stern Brothers & Co., Kansas City, Mo.

★ **General Public Utilities Corp.**
March 14, 1961 it was stated in the company's 1960 annual report that the utility expects to sell additional common stock to stockholders in 1962 through subscription rights on the basis of one share for each 20 shares held. Based on the 22,838,454 common shares outstanding on Dec. 31, 1960, the offering will involve a minimum of 1,141,922 additional shares. **Office**—67 Broad St., New York 4, N. Y. **Underwriter**—None.

★ **General Telephone Co. of California**
Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell about \$20,000,000 of bonds in the first half of 1961. **Office**—2020 Santa Monica Blvd., Santa Monica, Calif. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp. and Equitable Securities Corp. (jointly); White, Weld & Co. and Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis, and Stone & Webster Securities Corp.

★ **General Telephone Co. of Florida**
Feb. 8, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about \$15,000,000 of bonds in November. **Office**—610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

★ **Georgia Power Co. (10/18)**
Dec. 29, 1960 this subsidiary of the Southern Co., applied to the Georgia Public Service Commission for permission to issue \$15,500,000 of 30-year first mortgage bonds, and \$8,000,000 of new preferred stock. **Proceeds**—For construction, plant modernization or refunding of outstanding debt. **Office**—Electric Bldg., Atlanta 3, Ga. **Underwriters**—To be determined by competitive bidding. Previous bidders for bonds included Harriman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc.; Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co., Inc.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). Previous bidders for preferred were First Boston Corp., Lehman Brothers, Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; and Equitable Securities Corp. **Bids**—Expected to be received on Oct. 18.

★ **Gimbel Brothers, Inc.**
May 8, 1961 it was reported that a registration statement will be filed shortly covering \$25,000,000 of debentures due 1981. **Business**—The operation of department stores. **Office**—1275 Broadway, New York City. **Underwriters**—Lehman Brothers and Goldman, Sachs & Co., both of New York City.

★ **Gluckin (Wm.) & Co., Inc.**
April 19, 1961 it was reported that this subsidiary of Essex-Universal Corp., plans to sell about 200,000 com-

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mon shares. **Business**—Manufactures and sells women's foundation garments. **Underwriter**—To be named.

Gulf Power Co. (12/7)

Jan. 4, 1960 it was reported that this subsidiary of The Southern Co., plans to sell \$5,000,000 of 30-year bonds. **Office**—75 North Pace Blvd., Pensacola, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders included Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc.; Salomon Bros. & Hutzler and Drexel & Co. (jointly); Equitable Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on Dec. 7, 1961.

Hawaiian Telephone Co.

March 8, 1961 it was reported that this company plans to sell about \$5,000,000 of common stock to stockholders through subscription rights later this year. **Office**—1130 Alakea Street, Honolulu 13, Hawaii. **Underwriter**—None.

Houston Fearless Corp.

Feb. 27, 1961, Barry J. Shillito, President, stated that the company plans to expand its Western Surgical and Westlab divisions into a new national medical and hospital supply concern. He added that 80% of the new firm's stock would be retained by Houston and the remaining 20% sold to the public. **Office**—11801 W. Olympic Blvd., Los Angeles 64, Calif.

Illinois Bell Telephone Co.

March 31, 1961 it was reported that this subsidiary of A. T. & T., plans to offer stockholders in June the right to subscribe to additional common stock on the basis of one new share for each eight shares held. Based on the 33,525,217 shares outstanding on Dec. 31, 1960 this would amount to about 4,190,652 additional shares valued at approximately \$84,000,000. **Office**—212 West Washington St., Chicago 6, Ill. **Underwriter**—None.

Illinois Terminal RR.

Jan. 16, 1961 it was reported that this company plans the sale later this year of about \$8,500,000 of first mortgage bonds. **Office**—710 North Twelfth Blvd., St. Louis, Mo. **Underwriter**—Halsey, Stuart & Co. Inc., Chicago.

Indianapolis Power & Light Co.

According to a prospectus filed with the SEC on Aug. 25, 1960, the company plans the sale of about \$14,000,000 of additional securities in 1963. **Office**—25 Monument Circle, Indianapolis, Ind.

International Parts Corp.

April 17, 1961 it was reported that a registration will be filed shortly covering an undisclosed number of outstanding common shares. **Business**—Manufactures automobile equipment and parts. **Office**—Chicago, Ill. **Underwriter**—H. M. Byllesby & Co., Chicago (managing).

International Silver Co.

May 3, 1961 it was reported that the company is considering the offering of about \$8,000,000 of subordinated convertible debentures to stockholders about mid-July. **Business**—The company manufactures and sells a complete line of silverware, holloware, flatware and cutlery. **Office**—16 East 40th Street, New York City.

Interstate Department Stores, Inc.

April 24, 1961 it was reported that stockholders are to vote May 24 on increasing the authorized common to provide for a 3-for-1 stock split of outstanding shares. The additional shares would be distributed June 23 to holders of record May 29. It was also stated that the company is considering financing to provide additional funds to expand discount store operations. **Office**—111 Eighth Ave., New York City.

Kansas Power & Light Co.

March 15, 1961 it was reported that this company is considering the issuance of \$10,000,000 to \$15,000,000 of bonds in the third or fourth quarter of 1961. **Proceeds**—For construction. **Office**—800 Kansas Ave., Topeka, Kan. **Underwriter**—First Boston Corp., New York City (managing).

Long Island Lighting Co.

Jan. 25, 1961 it was reported by Fred C. Eggerstedt, Jr., Assistant Vice-President, that the utility contemplates the issuance of \$25,000,000 of 30-year first mortgage bonds probably in the second or third quarter of 1961. **Office**—250 Old Country Road, Mineola, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp., and Blyth & Co., Inc. (jointly); W. C. Langley & Co. and Smith, Barney & Co. (jointly).

Louisville & Nashville RR (5/25)

April 25, 1961 it was reported that this company plans to sell about \$5,300,000 of equipment trust certificates. **Office**—71 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Brothers & Hutzler. **Bids**—To be received on May 25 at noon (DST).

Macrose Industries

May 2, 1961 it was reported that this company, formerly named Macrose Lumber & Trim Co., Inc., plans a full filing of about 500,000 common shares (par \$1). **Business**—The company owns a chain of lumber yards on Long Island. **Office**—2060 Jericho Turnpike, New Hyde Park, L. I., N. Y. **Underwriter**—Edwards & Hanly, Hempstead, N. Y. **Offering**—Expected in July.

Masters Inc.

Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

Metropolitan Edison Co.

Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about \$10,000,000 of first mortgage bonds and \$5,000,000 of deben-

tures in August or September. **Office**—2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Metropolitan Food Co.

April 12, 1961 it was reported that this company plans to sell 100,000 common shares. **Price**—\$5 per share. **Business**—Food distribution. **Proceeds**—For working capital. **Office**—45-10 Second Ave., Brooklyn, N. Y. **Underwriters**—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Mississippi Power Co. (9/28)

Jan. 4, 1961 it was reported that this subsidiary of The Southern Co., plans to sell publicly \$5,000,000 of 30-year bonds and \$5,000,000 of preferred stock (par \$100). **Proceeds**—For construction and expansion. **Office**—2500 14th St., Gulfport, Miss. **Underwriter**—To be determined by competitive bidding. Previous bidders for bonds were Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. Previous bidders for preferred stock included Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly). **Bids**—Expected to be received on Sept. 28.

Missouri Utilities Co.

April 11, 1961 it was reported that this company plans to sell about 50,000 additional common shares to stockholders in September or October on a 1-for-10 rights basis. **Office**—400 Broadway, Cape Girardeau, Mo. **Underwriter**—To be named. The last five rights offerings to stockholders were underwritten by Edward D. Jones & Co., St. Louis.

Mite Corp.

April 27, 1961 it was reported that this company, recently formed through a merger of Teleprinter Co., and Grist Manufacturing Co., plans to sell about 400,000 shares of common stock to raise approximately \$5,000,000. **Office**—446 Blake St., New Haven, Conn. **Underwriter**—Charles W. Scranton & Co., New Haven. **Registration**—Expected about May 15.

Modern Home Construction Co.

April 18, 1961 it was reported that this company is considering a public offering of securities, but the details have not yet been decided upon. **Office**—Valdosta, Ga. **Underwriter**—Harriman Ripley & Co., New York City.

Monterey Gas Transmission Co.

April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter**—Lehman Brothers, New York City (managing).

National Airlines, Inc.

May 8, 1961, it was reported that the CAB had approved the company's plan to sell publicly 400,000 shares of Pan American World Airway's Inc., subject to final approval of the Board and the SEC. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Price**—About \$20 per share. **Proceeds**—To repay a \$4,500,000 demand loan, and other corporate purposes. **Office**—Miami International Airport, Miami 59, Fla. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

National Hospital Supply Co., Inc.

May 1, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 shares of common stock. **Price**—\$3 per share. **Business**—The distribution of medical equipment. **Office**—38 Park Row, New York City. **Underwriter**—Edward Lewis Co. Inc., New York City (managing).

National Semi-Conductor Co.

April 18, 1961 it was reported that this company plans to file a registration statement shortly covering an undisclosed number of common shares. **Office**—Danbury, Conn. **Underwriters**—Lee Higginson Corp., New York City and Piper, Jaffray & Hopwood, Minneapolis, Minn.

Northern Illinois Gas Co. (6/22)

March 22, 1961 it was reported that this company plans to sell about \$20,000,000 of common stock through a rights offering to stockholders of record June 22. Rights would expire July 11. **Office**—50 Fox St., Aurora, Ill. **Underwriters**—To be named. The last rights offering in April, 1954, was underwritten by First Boston Corp., and Glore, Forgan & Co., both of New York City.

Northern Natural Gas Co.

March 15, 1961, the company reported that it expects to raise about \$80,000,000 of new money in 1961. Present plans are for issuance of about \$30,000,000 of debentures by mid-year and an additional \$30,000,000 to \$35,000,000 of debentures by year-end. It is also expected that some \$12,000,000 to \$15,000,000 of common stock will be sold to stockholders through subscription rights in September or October. **Proceeds**—For construction. **Office**—2223 Dodge St., Omaha 1, Neb. **Underwriter**—Blyth & Co., New York City (managing).

Northern States Power Co. (8/8)

Jan. 10, 1961 it was reported that this company plans to sell \$20,000,000 of bonds in the third quarter of 1961. **Offices**—15 So. La Salle Street, Chicago 4, Ill.; 15 So. Fifth Street, Minneapolis 2, Minn.; 111 Broadway, New

York 6, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith, Inc.; Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp. and Blyth & Co., Inc. (jointly). **Bids**—Expected to be received on Aug. 8.

Northwestern Public Service Co.

April 3, 1961 the company applied to the FPC for permission to issue up to \$4,000,000 of first mortgage bonds. The company stated that it would sell the full amount if it concurrently redeemed all outstanding \$1,500,000 of 5% bonds, otherwise only \$2,500,000 of the new bonds would be issued. **Office**—Huron, S. D. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc., and Kidder, Peabody & Co. **Offering**—Expected in September.

Pacific Gas & Electric Co.

March 28, 1961 it was reported that this company plans to offer additional common stock to stockholders on the basis of one share for each 20 shares held. Based on the 17,929,305 shares outstanding on Dec. 31, 1961 this would amount to about 896,465 common shares. **Office**—245 Market Street, San Francisco 6, Calif. **Underwriter**—To be named. The last rights offering on June 17, 1958 was underwritten by Blyth & Co., Inc., New York City.

Pacific Telephone & Telegraph Co.

March 24, 1961 stockholders of this A. T. & T. subsidiary approved a plan to form a new company to be known as the Pacific Northwest Bell Telephone Co. The new concern will acquire the business and properties of the Pacific Telephone-Northwest division which operates in Washington, Oregon, and Idaho. All of the stock of the new company will be owned by Pacific Telephone but "as soon as practicable" it will be offered for sale to Pacific Telephone stockholders at a price to be fixed by the Board of Directors. **Office**—140 New Montgomery Street, San Francisco, Calif. **Underwriter**—The last offering of common stock to shareholders on Feb. 25, 1960 was not underwritten. However, A. T. & T., which owns over 90% of the outstanding shares, exercised its rights to subscribe to its pro rata share of the offering.

Packer's Super Markets, Inc.

May 10, 1961 it was reported that this company plans to file a registration statement covering about 100,000 shares of common stock. **Business**—The operation of a chain of supermarkets. **Office**—7420 3rd Ave., Brooklyn, N. Y. **Underwriter**—Milton D. Blauner & Co., Inc., New York City.

Pan American World Airways, Inc.

May 8, 1961 it was reported that the CAB ordered this company to sell its 400,000 share holdings of National Airlines, Inc., and to file a plan of sale with the board within 30 days. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each others jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., New York City. **Underwriter**—To be named.

Panhandle Eastern Pipe Line Co.

March 8, 1961 it was reported that this company expects to sell about \$72,000,000 of debentures in September, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Pennsylvania Power & Light Co.

April 11, 1961 it was stated in the 1960 annual report that this utility expects to spend \$140,000,000 on new construction in the 1961 to 1965 period, of which about \$56,000,000 will have to be raised through the sale of securities. However, the company now sees no necessity for the sale of equity securities, but expects to convert its present \$35,000,000 of bank loans to long-term debt when securities market conditions are favorable. **Office**—9th and Hamilton Streets, Allentown, Pa. **Underwriters**—To be named. The last four bond issues were sold privately. The last public offering of bonds on Oct. 4, 1945 was underwritten by Smith, Barney & Co.; First Boston Corp.; Dillon, Read & Co., Inc., and associates.

Public Service Electric & Gas Co. (6/6)

March 22, 1961 it was reported that this company plans to sell about 900,000 shares of common stock, subject to the approval of the New Jersey Public Service Commission. **Proceeds**—For construction. **Office**—80 Park Place, Newark, N. J. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

Rochester Gas & Electric Corp. (9/27)

Jan. 24, 1961 the company stated it plans to issue about \$15,000,000 of 30-year bonds in September. **Proceeds**—For construction. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc.; The First Boston Corp. **Bids**—To be received about Sept. 27.

Rowan Controller Co.

May 10, 1961 it was reported that this company is planning to sell 50,000 additional common shares. **Office**—2313 Homewood Ave., Baltimore, Md. **Underwriter**—Stein Bros. & Boyce, Baltimore.

Southern Railway Co.

Nov. 21, 1960 stockholders approved the issuance of \$33,000,000 of new bonds. The issuance of an unspecified amount of additional bonds for other purchases was also approved. **Proceeds**—For general corporate purposes, including the possible acquisition of Central of

Georgia Ry. Office—Washington, D. C. Underwriter—Halsey, Stuart & Co. Inc., will head a group that will bid on the bonds.

★ Tampa Electric Co.

May 10, 1961 it was reported that this company plans to spend over \$80,000,000 on new construction in the next three years. No financing is planned this year but in 1962 the company may issue bonds or common stock. Office—111 No. Dale Mabry Hwy., Tampa, Fla. Underwriters—To be named. The last sale of bonds on June 29, 1960 was handled by Halsey, Stuart & Co. Inc., New York City. Other competitive bidders were Merrill Lynch, Pierce, Fenner & Smith Inc.; Goldman, Sachs & Co.; Stone & Webster Securities Corp. The last sale of common stock on Feb. 13, 1960 was made through Stone & Webster Securities Corp.

★ Tennessee Bank & Trust Co.

May 10, 1961 it was reported that stockholders have voted to increase authorized capital stock to provide for sale of about 330,000 \$5 par shares to stockholders on the basis of 33 new shares for each 7 shares held of record May 12, with rights to expire May 26. Price—\$15 per share. Proceeds—To increase capital. Office—Houston, Tex. Underwriter—First Southwest Co., Dallas, Tex. Note—This bank formerly was named Merchants State Bank.

Texas Eastern Transmission Corp.

April 26, 1961 it was stated in the 1960 annual report that this company expects to sell about \$85,000,000 of new securities in 1961. Approximately \$45,000,000 of this amount was raised on Jan. 17, 1961 through the sale of \$30,000,000 of first mortgage bonds and 150,000 shares of 5.52% preferred stock, leaving a balance of \$40,000,000 to be obtained later in the year. Office—Texas Eastern Bldg., Houston, Tex. Underwriters—To be named. The last sale of securities was handled by a group headed by Dillon, Read & Co. Inc., First Boston Corp., and Kuhn, Loeb & Co.

Texas Gas Transmission Corp.

Jan. 11, 1961 it was reported that this company plans to sell \$10,000,000 to \$15,000,000 of bonds in the third quarter of 1961. Office—416 West Third Street, Owensboro, Ky. Underwriter—Dillon, Read & Co., New York City.

★ Thompson Ramo Wooldridge, Inc.

May 10, 1961 it was reported that the company is considering the issuance of \$25,000,000 of non-convertible debentures. Business—The manufacture and sale of parts and appliances for automobiles, trucks, buses, and aircraft. Office—23555 Euclid Ave., Cleveland, Ohio and 8433 Fallbrook Ave., Canoga Park, Calif. Underwriter—To be named. The last sale of debentures on Aug. 13, 1957 was made to stockholders through subscription

rights, and was handled by Smith, Barney & Co., New York City and McDonald & Co., Cleveland, Ohio.

Thorough-Bred Enterprises, Inc.

March 16, 1961 it was reported that this company plans to sell 85,000 shares of common stock (par 10 cents). Price—\$4 per share. Business—Operates a breeding farm for thoroughbred horses. Proceeds—For building a barn, purchasing land and acquiring additional horses. Office—Biscayne Boulevard, Miami, Fla. Underwriter—Sandkuhl Company, Inc., Newark, N. J., and New York City.

Trunkline Gas Co.

March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about \$50,000,000 of bonds or preferred stock in September. Office—120 Broadway, New York City. Underwriters—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

United Aircraft Corp.

Feb. 15, 1961 it was reported that this company is considering issuance of \$50,000,000 of bonds to replace a seven-year term loan. Office—400 Main St., East Hartford, Conn. Underwriter—To be named. The company has never issued bonds, but its last offering of preferred stock on Sept. 17, 1956 was underwritten by Harriman Ripley & Co., Inc., New York and associates.

★ Universal Publishing & Distributing Corp.

May 10, 1961 it was reported that this company is considering the issuance of common stock. Business—Magazine publishing. Office—117 E. 31st Street, New York City. Underwriter—Allen & Co., New York City.

Vinco Corp.

Feb. 20, 1961 it was reported that this company plans to sell \$2,000,000 of convertible bonds. Business—The manufacture of precision parts and subassemblies for aircraft, missile and other industries. The company also produces gauges and measuring instruments. Proceeds—For expansion and acquisition. Office—9111 Schaefer Highway, Detroit, Mich. Underwriter—S. D. Fuller & Co., New York City.

Virginia Electric & Power Co. (6/13)

Jan. 17, 1961 the company announced plans to sell \$30,000,000 of first mortgage bonds. Office—Richmond 9, Va. Underwriter—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Bros. & Hutzler; Goldman, Sachs & Co. Bids—Scheduled for June 13 at 11 a.m. (DST). Information Meeting—Scheduled for June 8 at 11 a.m. (DST) at the Chase Manhattan Bank, One Chase Plaza, New York City.

Virginia Electric & Power Co. (12/5)

March 23, 1961, the company announced plans to sell \$15,000,000 of securities, possibly bonds or debentures. Office—Richmond 9, Va. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. Bids—To be received on Dec. 5, 1961.

Walter (Jim) Corp.

April 17, 1961 it was reported that this company plans to sell a minimum of \$20,000,000 of debentures. Business—The company constructs shell homes, provides credit life insurance on home mortgages and operates a chain of small loan companies. Office—1500 North Dale Mabry Highway, Tampa, Fla. Underwriters—To be named.

West Penn Power Co.

Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about \$25,000,000 of bonds in 1962. Office—800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. Underwriters—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Western Union Telegraph Co.

Feb. 28, 1961 it was reported that the FCC has approved the company's plan to transfer its Atlantic cable system to a newly organized company, Western Union International, Inc. The plan provides for the issuance by Western Union International of about \$4,000,000 of subordinated debentures and 400,000 shares of class A stock to be offered to stockholders of Western Union Telegraph Co. in units of \$100 of debentures and 10 shares of stock. In addition, American Securities Corp., New York City, would purchase from Western Union International about 133,000 additional shares of class A stock giving American Securities ownership of approximately 25% of the outstanding class A stock of WUI. Then Western Union Telegraph would purchase 250,000 shares of class B stock for \$100,000 and WUI would sell \$4,500,000 of debentures or bonds. Office—60 Hudson Street, New York City. Underwriter—American Securities Corp. (managing).

Wisconsin Power & Light Co.

Jan. 19, 1961 it was reported that this company plans to sell about \$6,500,000 of preferred stock in the third quarter of 1961. Proceeds—For expansion. Underwriters—The last sale of preferred stock in May, 1958 was handled by Smith, Barney & Co., New York and Robert W. Baird & Co., Inc., Milwaukee (jointly).

Lexton Associates Formed

Lexton Associates are conducting a securities business from offices at 220 Fifth Avenue, New York City. Partners are John D. Bussell, Harry Geyer, Morris Kaye, Henry Spellman, and George Zuckerman.

Small Investors Funding

Small Investors Funding Corporation is engaging in a securities business from offices at 45 West 45th Street, New York City.

Continental Bond & Share

MAPLEWOOD, N. J.—Continental Bond & Share Corporation has opened a branch office at 1728 Springfield Avenue under the management of Jerry L. Gale.

Brush, Slocumb Office

MODESTO, Calif.—Brush, Slocumb & Co. has opened a branch office at 1112 Fifteenth Street, under the management of A. Joseph Bellizzi.

Named Director

Fred Schwarzkopf was elected a Director of Apex Smelting Company at the annual meeting of

stockholders. Mr. Schwarzkopf, associated with the investment banking firm of White, Weld & Co. in its Chicago office, has been a financial advisor to Apex Smelting Company for many years.

New Sparks Branch

MORRISTOWN, N. J.—J. W. Sparks & Co. has opened a branch office at 209 South Street under the management of J. Raymond Manahan. Mr. Manahan was formerly local manager for Cofin & Burr, Incorporated.

DIVIDEND NOTICES

BRILLO
MANUFACTURING COMPANY, INC.
Dividend No. 125
A Dividend No. 125 of Twenty-Five Cents (\$25) on the Common Stock has been declared, payable July 1, 1961 to stockholders of record June 15, 1961.
M. B. LOEB, President
Brooklyn, N. Y.

Hooker & Fay Names

SAN FRANCISCO, Calif.—As of May 15 Nada D. Pierce will become Secretary of Hooker & Fay Inc., 221 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges. Miss Pierce was formerly Assistant Secretary of the firm.

DIVIDEND NOTICES

DREWRY'S
A quarterly dividend of forty (40) cents per share for the second quarter of 1961 has been declared on the common stock, payable June 9, 1961 to stockholders of record at the close of business on May 24, 1961.
Drewrys Limited U. S. A. Inc.
South Bend, Indiana
T. E. JEANNERET,
Secretary and Treasurer

With Montgomery, Scott

Werner Wolff has been added to the staff of Montgomery, Scott & Co., 120 Broadway, New York City, member of the New York Stock Exchange.

DIVIDEND NOTICES

EATON MANUFACTURING COMPANY
CLEVELAND 10, OHIO
DIVIDEND No. 164
On April 28, 1961, the Board of Directors declared a dividend of forty-five cents (45¢) per share on the common shares of the Company, payable May 25, 1961, to shareholders of record at the close of business May 8, 1961.
R. G. HENGST, Secretary
Manufacturing plants in 18 cities, located in six states, Canada and Brazil.

DIVIDEND NOTICES

HOOD CHEMICAL CO., INC.

Dividend on Common Stock

The Board of Directors has declared a semi-annual dividend of 5 cents per share on the common stock, payable May 26, 1961, to stockholders of record May 12, 1961. This payment constitutes our seventh consecutive year of uninterrupted dividend payments.

NEIL A. MACDONALD,
Secretary-Treasurer

April 26, 1961

DIVIDEND NOTICE

The 685,000 owners of Standard Oil Company (New Jersey) will share in the earnings of the Company by a dividend,

declared by the Board of Directors on May 4, 1961 and payable June 13, 1961

to shareholders of record May 15, 1961 at the rate of 55¢ per share of capital stock.

1961 is the 79th consecutive year in which cash dividends have been paid.

Standard Oil Company
(New Jersey)

Esso

THE SINGER MANUFACTURING COMPANY

371st dividend

- 65 cents per share
- Declared: May 4, 1961
- Payable: June 13, 1961
- Record Date: May 19, 1961



D. H. ALEXANDER
Secretary

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INDUSTRIES, INCORPORATED

Common Dividend No. 166

A dividend of 62½¢ per share on the common stock of this Corporation has been declared payable June 15, 1961, to stockholders of record at close of business May 26, 1961.

C. ALLAN FEE,
Vice President and Secretary

May 5, 1961

PHELPS DODGE CORPORATION

The Board of Directors has declared a second-quarter dividend of Seventy-five Cents (75¢) per share on the capital stock of this Corporation, payable June 9, 1961 to stockholders of record May 22, 1961.

M. W. URQUHART,
Treasurer.

May 3, 1961

WASHINGTON AND YOU



BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL

WASHINGTON, D. C. — If and when the Federal aid to education bill becomes law, one can be as certain as the sun rises somewhere on our country tomorrow, that your taxes are going up. There is no question about it.

The Federal aid to education proposal is one of the biggest pieces of political clap-trap to hit the halls of Congress in a long, long time.

President Kennedy and his brother, Attorney General Robert F. Kennedy, two of the youngest Americans who ever held these positions, obviously want to serve their Nation well. Perhaps no Attorney General has ever tried to get atop of his job any more than Bobby Kennedy.

The 35-year-old Attorney General, working in his shirt sleeves in his palatial offices at the Department of Justice, is determined to curb interstate gambling, break up crime syndicates, and has speeded up deportation of alien gangsters.

However, his sincere efforts to speed up school integration, coupled with the demands of President Kennedy in that direction, may well mean defeat for the Federal aid bill this year, and next.

The recent action of the Justice Department to file suit in the Federal Court to require a tiny little Virginia county—Prince Edward—to levy taxes for public schools, went far afield. If the courts of the Nation uphold this action, then all rights of the states might as well be abolished and let the big Central Government in Washington run everything from constable to the state capitols.

An attempt to tell a State how it must appropriate its funds is nothing short of fantastic. It is unprecedented. It is a punitive action against a county which quit levying taxes in the county to operate its public schools after the Supreme Court of the United States ordered integration of the public schools in that county.

States' Rights at Issue

The question of segregation versus integration is a different legal question. More and more schools are integrating in the Old South states. However, this question is not likely to be settled for more than a generation—if then.

After the Department of Justice instituted its suit against Prince Edward County, numerous members of Congress, other than Southerners, were asserting on Capital Hill that the far-reaching action was not legally right, particularly if the rights of the states are going to continue to be recognized and honored.

Virginia, where so much of our Nation's history has been written, permits its counties and independent cities to adopt and choose the type of local government it seems fit and proper to run their affairs.

For months the powerful educational lobbies in Washington, and the school teacher associations in most states, have been whipping up support for the Federal aid bill. Many politicians favor it, because it is worth votes. Nothing is politically sweeter to a politician than to get votes and more votes, and

to hear the sound of his own voice.

No Shortages

As it has been pointed out here before, a check by the United States Chamber of Commerce and other associations and groups shows that there is no real classroom or teacher shortage in this country today.

The schools that are being constructed in many parts of the country—and that includes the area surrounding the Nation's Capital—are entirely too expensive because of the tendency to embellish them with unnecessary frills. The school buildings in the country, generally speaking, are not used more than seven months in the year.

Byrd's Viewpoint

Senator Harry F. Byrd, the distinguished statesman from the Old Dominion, who is serving his last term in Congress, a few days ago inserted in the "Congressional Record" a resolution passed by the Petersburg, Virginia, school board in opposition to Federal aid.

The resolution was buried far back in the inch-thick "Record" on May 30. The resolution is so thought-provoking that all Americans, whether they live in New York, Illinois or Hawaii, should have the opportunity to read it, regardless of their views on the school issue.

The resolution is definitely a cogent statement of the case against the Federal Government getting so deeply involved in the public schools of our land. There is no question that if Congress should vote the aid, Congress will of necessity raise taxes.

As of now, Congress appears unlikely to pass the aid proposal, but the picture could change quickly. Once such a bill got to the floor, it would be difficult for many congress men to vote against it.

If school boards in other parts of the country would go on record in a resolution similar to that adopted by the Petersburg, Va., board, it would be an assist toward curbing the ever-growing Central Government in Washington.

Text of Resolution

The text of the resolution follows:

WHEREAS, the Federal revenues have been inadequate to meet Federal expenditures in 26 of the last 30 years; and

WHEREAS, Federal aid to education does not represent a new source of revenue; and

WHEREAS, three-fourths of all personal income goes to wage earners, the cost of Federal aid to education will not be borne by the rich and large corporations as the public is led to believe; and

WHEREAS, the Federal Government now takes 64% of all public revenue and will have to demand more, if it attempts financial support of public education; and

WHEREAS, the Supreme Court of the United States has in effect ruled on several occasions that the Federal Government can regulate that which it subsidizes; and

WHEREAS, Federal involvement in public education is contrary to the tenth amend-



"You'll never guess who was standing behind me when I was telling about my boss and his martini lunches!"

ment to the Constitution of the United States which provides that "powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people" and

WHEREAS, financial dependence on the Federal Government for the support of public education will at best reduce local control over our public educational system: Now, therefore: be it

RESOLVED, that the School Board of the City of Petersburg, Va., publicly announce that it is opposed to Federal aid to education and does feel that such assistance is not needed; and be it further

RESOLVED, that this board pronounce its opposition to any movement which will give the Federal Government one scintilla of control over any local school system, and any attempt to standardize or destroy the flexibility of public education throughout the local school divisions or districts in the United States; and be it further

RESOLVED, that a copy of these preambles and resolutions be furnished to the Senators and members of the House who represent the Commonwealth of Virginia and its political subdivisions in the Congress of the United States of America.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

Forms Cashman Inv. Secs.

FT. LAUDERDALE, Fla.—Thomas E. Cashman is engaging in a securities business from offices at 411 San Marco Drive under the firm name of Cashman Investment Securities.

Opens Securities Office

PRESCOTT, Ariz. — Rockwell L. Webb is engaging in a securities business from offices at 139 South Cortez Street under the firm name of Roxie Webb.

In Securities Business

The Courtney-Diamond Agency, Inc. is engaging in a securities business from offices at 551 Fifth Avenue, New York City. Officers are Burton J. Diamond, President; Alan J. Courtney, Secretary-Treasurer; and F. K. Diamond and L. Courtney, Vice-Presidents.

Joseph Zimbler Opens

JAMAICA, N. Y.—Joseph Zimbler is engaging in a securities business from offices at 141-52 Eighty-fifth Road.

Executive Managem't Corp.

FT. WAYNE, Ind. — Executive Management Corporation has been formed with offices at 229 West Berry Street to engage in a securities business. Officers are Phil J. Schwanz, chairman of the Board; Donald B. Grissom, President; James L. Shearer, Vice-President; Ralph E. Sheets, Secretary; and Eugene C. Rose, Treasurer.

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COMING EVENTS

IN INVESTMENT FIELD

May 19, 1961 (Baltimore, Md.) Baltimore Security Traders Association 26th annual spring outing at the Country Club of Maryland.

May 19, 1961 (New York, N. Y.) STANY Glee Club 7th annual dinner dance at the Waldorf-Astoria Hotel.

May 20, 1961 (Miami Beach, Fla.) Annual Meeting of Florida Council of the National Association of Investment Clubs.

May 21-23, 1961 (San Francisco, Calif.)

California Bankers Association 70th anniversary convention at the Fairmont and Mark Hopkins Hotels.

June 2, 1961 (New York City) Bond Club of New York annual outing at Sleepy Hollow Country Club.

June 2, 1961 (Philadelphia, Pa.) Philadelphia Securities Association annual outing at Aronimink Golf Club, St. Davids Road, Newtown Square, Pa.

June 8, 1961 (Cedar Rapids, Iowa) Iowa Investment Bankers Association annual Field Day at the Cedar Rapids Country Club (preceded June 7 by a cocktail party and dinner reception at the Roosevelt Hotel).

June 9, 1961 (Philadelphia, Pa.) Investment Association of Philadelphia annual outing at the Philadelphia Cricket Club, Flourtown, Pa.

June 9, 1961 (New York City) Municipal Bond Club of New York annual meeting and outing at the Westchester Country Club, Rye, N. Y.

June 9-11, 1961 (San Francisco, Calif.)

San Francisco Security Traders Association annual Spring Outing at the Sacramento Inn, Sacramento, Calif.

June 15, 1961 (New York City) Investment Association of New York annual outing at Sleepy Hollow Country Club.

June 22-25, 1961 (Canada) Investment Dealers Association of Canada annual meeting at Jasper Park Lodge, Jasper, Alta.

Sept. 20-21, 1961 (Omaha, Neb.) Nebraska Investment Bankers Association annual field day.

Oct. 9-10, 1961 (Denver, Colo.) Association of Stock Exchange Firms, Fall meeting of Board of Governors at the Brown Palace Hotel.

Oct. 15-18, 1961 (San Francisco, Calif.)

American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.)

National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Attention Brokers and Dealers:

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